

further restriction of immigration; to the Committee on Immigration and Naturalization.

685. By Mr. CRAMTON: Petition signed by the trustees of the Evangelical Church, of Capac, Mich., urging passage of the bill to give relief to the needy of Germany; to the Committee on Foreign Affairs.

686. By Mr. CROWTHER: Petition of A. M. Brown, of Gloversville, N. Y.; Edw. A. Johnson, of 1002 Eastern Avenue, Schenectady, N. Y.; and C. H. Crockett, 639 Terrace Place, Schenectady, N. Y., urging a tax reduction along the line recommended by the Hon. Andrew W. Mellon, Secretary of the Treasury of the United States; to the Committee on Ways and Means.

687. By Mr. FULLER: Petitions of C. E. Bradt, E. P. Ellwood, and sundry other citizens of DeKalb, Ill., favoring the plan of Secretary Mellon as indorsed by the President, for tax reduction; to the Committee on Ways and Means.

688. Also, petitions of the Business Men's Association, of Ottawa, Ill., and sundry citizens of Ottawa and Streator, Ill., favoring pending bills to increase the salaries of postal employees; to the Committee on the Post Office and Post Roads.

689. Also, petitions of A. E. Hoge, 2d, and sundry other citizens of Morris, Ill., favoring House bill 4123, to reclassify and increase the salaries of post-office employees; to the Committee on the Post Office and Post Roads.

690. Also, petition of William T. Sherman Post, No. 146, Department of Illinois, G. A. R., for increase of pensions of Civil War veterans to \$72 per month; to the Committee on Invalid Pensions.

691. By Mr. GALLIVAN: Petition of Boston Chamber of Commerce, favoring an appropriation for the mail service that is sufficient to place it on a self-supporting basis; to the Committee on the Post Office and Post Roads.

692. Also, petition of the adjutant general, Commonwealth of Massachusetts, favoring the purchase for State use of an artillery range at Camp Devens, Mass.; to the Committee on Military Affairs.

693. By Mr. HUDSON: Petition of the Detroit Society, composed of American business and professional men of Polish ancestry, expressing regret and indignation at recent efforts made to mislead and misinform the Congress of the United States and general public belittling the patriotism of other citizens of Polish descent and especially Americans of Polish blood in the city of Hamtramck, Mich.; to the Committee on Immigration and Naturalization.

694. Also, petition of Women's Guild of the St. Paul's Episcopal Church, Lansing, Mich., favoring the amending of the Constitution of the United States to prohibit child labor and to protect the children; to the Committee on the Judiciary.

695. Also, petition of the citizens and taxpayers of Genesee County, Mich., favoring the passage of special House bill 3747, to correct the military record of George W. Kelly, of Linden, Mich., and stating their belief in the justice and merits of his bill; to the Committee on Military Affairs.

696. Also, petition of the Pastors' Union, of Pontiac, Mich., indorsing the omnibus bill to increase the salaries of postal employees and to increase the retirement pension; to the Committee on the Post Office and Post Roads.

697. By Mr. KELLER: Petition of a number of residents of St. Paul, Minn., urging the speedy enactment of the public shooting grounds game refuge bill; to the Committee on Agriculture.

698. By Mr. MORIN: Petition of the legislative committee representing the Pittsburgh Teachers' Association, Ralph Elliott Blakeslee, president, Pittsburgh, Pa., urging the passage of the education bill; to the Committee on Education.

699. By Mr. ROBINSON of Iowa: Petition of W. C. T. U. and other loyal citizens of Hazelton, Iowa, favoring strict enforcement of the eighteenth amendment; to the Committee on the Judiciary.

700. Also, petition of W. C. T. U. and other loyal citizens of Independence, Iowa, favoring strict enforcement of the eighteenth amendment; to the Committee on the Judiciary.

701. By Mr. SNELL: Petition of Essex County American Legion, to build a bridge to span the narrows of Lake Champlain between Crown Point, N. Y., and Chimney Point, Vt.; to the Committee on Interstate and Foreign Commerce.

702. Also, petition of First Presbyterian Church of Mineville, N. Y., to amend the Constitution empowering Congress to pass legislation regulating child labor; to the Committee on the Judiciary.

703. Also, petition of Women's Republican Club (Inc.) of New York City, indorsing the method for examination abroad suggested by Dr. Spencer L. Dawes, medical examiner, New York State Hospital Commission, adopted by the Interstate

Conference on Immigration October 24, 1923, and urging that the Senators and Representatives in Congress endeavor to have that method made a part of House bill 101; to the Committee on Immigration and Naturalization.

704. By Mr. TREADWAY: Petition of the Hampden County (Mass.) Polish Citizens' Club, through Thadens Marczak, president, in favor of a modification of the so-called Johnson Immigration bill; to the Committee on Immigration and Naturalization.

705. By Mr. YOUNG: Resolution of Community Club of Bordulac, N. Dak., urging passage of House bill 4159; to the Committee on Agriculture.

## SENATE.

WEDNESDAY, January 23, 1924.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Dear Lord, there are times when our hearts cry out after Thee. We believe there is no real rest excepting in the confidences between Thee and Thy children. We humbly pray that we may realize continually Thy goodness, Thy graciousness, and be willing to follow the dictates of a Providence that never fails to recognize the needs of humanity. Hear us this morning. Bring us very close to Thyself in the deepest longings of our souls, and may we love and serve Thee. Through Jesus Christ our Lord. Amen.

The PRESIDENT pro tempore. The Secretary will read the Journal of the proceedings of the last legislative session.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

### WASHINGTON'S FAREWELL ADDRESS.

The PRESIDENT pro tempore. The Chair designates the Senator from Ohio [Mr. WILLIS] to read, on February 22 next, Washington's Farewell Address, which is to be read pursuant to an order of the Senate of January 24, 1901.

### CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Ernst	La Follette	Robinson
Ashurst	Fernald	Lenroot	Sheppard
Ball	Ferris	Lodge	Shields
Bayard	Fess	McKellar	Shipstead
Brandegee	Fletcher	McKinley	Shortridge
Brookhart	Frazier	McLean	Simmons
Broussard	George	McNary	Smith
Bruce	Gerry	Mayfield	Smoot
Bursum	Gooding	Moses	Spencer
Cameron	Greene	Neely	Stanley
Capper	Hale	Norbeck	Stephens
Caraway	Harrell	Norris	Swanson
Colt	Harris	Oddie	Trammell
Copeland	Harrison	Overman	Wadsworth
Couzens	Heflin	Owen	Walsh, Mass.
Cummins	Howell	Pepper	Walsh, Mont.
Curtis	Johnson, Calif.	Phipps	Warren
Dale	Johnson, Minn.	Pittman	Watson
Dial	Jones, N. Mex.	Ralston	Wheeler
Dill	Jones, Wash.	Ransdell	Willis
Edge	King	Reed, Mo.	
Edwards	Ladd	Reed, Pa.	

Mr. PHIPPS. I desire to announce that the senior Senator from South Dakota [Mr. STERLING] is conducting a hearing before the Committee on Education and Labor.

The PRESIDENT pro tempore. Eighty-six Senators have answered to their names. There is a quorum present.

### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 185. An act providing for a per capita payment of \$100 to each enrolled member of the Chippewa Tribe of Minnesota from the funds standing to their credit in the Treasury of the United States; and

H. R. 3198. An act to authorize the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Eufaula, Ala., connecting Barbour County, Ala., and Quitman County, Ga.

## INTERNATIONAL CONGRESSES AGAINST ALCOHOLISM.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of State, reporting, in compliance with law, as to the expenditures and delegates of the United States at the Fifteenth and Sixteenth International Congresses Against Alcoholism, held at Washington, D. C., and Lausanne, Switzerland, respectively, which was referred to the Committee on Foreign Relations.

## RENTS FROM FEDERAL PROPERTY IN THE DISTRICT (S. DOC. NO. 25).

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Treasury, reporting, pursuant to law, relative to the rents received from properties located on sites of proposed public buildings purchased by the United States Government in the city of Washington, D. C., which was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

## THE MUSCLE SHOALS PLANT (H. DOC. NO. 166).

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of War, transmitting a proposal to manufacture nitrate at Muscle Shoals, submitted by Union Carbide Co., of New York, and also a proposal submitted jointly by the Tennessee Electric Power Co., the Columbus Electric Power Co., and the Alabama Power Co., relative to the Muscle Shoals plant, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

## UNAUTHORIZED EXPENDITURES BY UNITED STATES MARSHAL, PORTO RICO.

The PRESIDENT pro tempore laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to law, a report of an expenditure made in violation of law for an automobile for use by a United States marshal, district of Porto Rico, which was referred to the Committee on the Judiciary.

## PETITIONS.

Mr. FRAZIER presented a petition, numerous signed, of sundry citizens of Fargo, N. Dak., praying for a modification of the so-called Volstead Prohibition Act, which was referred to the Committee on the Judiciary.

He also presented resolutions of the Commercial Club of Fordville and of the North Dakota Livestock Breeders' Association, both in the State of North Dakota, favoring the passage of Senate bill 1597, providing a \$50,000,000 revolving loan to the livestock industry, which were referred to the Committee on Agriculture and Forestry.

## REPORTS OF COMMITTEES.

Mr. LADD, from the Committee on Commerce, to which was referred the bill (S. 1837) granting the consent of Congress to the Fulton Ferry & Bridge Co. to construct a bridge across the Red River, at or near Fulton, Ark., reported it without amendment and submitted a report (No. 91) thereon.

He also, from the same committee, to which was referred the bill (S. 802) granting the consent of Congress to the maintenance and operation or reconstruction, maintenance, and operation of an existing double-track steel bridge owned and operated by the Great Northern Railway Co. across the Mississippi River within the city of Minneapolis, Minn., reported it with amendments and submitted a report (No. 92) thereon.

Mr. WARREN, from the Committee on Appropriations, to which was referred the annual report of the Architect of the Capitol for the fiscal year ended June 30, 1923, asked to be discharged from its further consideration and that it be referred to the Committee on Printing, with a view to having it printed, which was agreed to.

## RIO GRANDE RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 5196) granting the consent of Congress to the construction of a bridge across the Rio Grande, and I submit a report (No. 90) thereon. I ask for its immediate consideration.

The bill was read and considered as in Committee of the Whole, as follows:

*Be it enacted, etc.,* That the consent of Congress is hereby granted to the El Paso Electric Railway Co. and the El Paso & Juarez Traction Co., corporations organized and existing under and by virtue of the laws of the State of Texas, and their successors and assigns, to construct, maintain, and operate an electric street railway, vehicular, and foot bridge, and approaches thereto, across the Rio Grande at a point suitable to the interests of navigation at or near the point where South Stanton Street, in said city of El Paso, crosses the Rio

Grande, in the county of El Paso, State of Texas (to replace the wooden bridge now in use at or near the aforesaid location, operated by said corporations under the authority of an act of Congress passed and approved July 23, 1882), in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, such construction to be made only with the consent and approval of the Republic of Mexico.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

## BILL RECOMMENDED.

On motion of Mr. BALL, and by unanimous consent, the bill (S. 1341) to authorize the opening of a minor street from Georgia Avenue to Ninth Street NW., through squares 2875 and 2877, and for other purposes, was taken from the calendar and recommitted to the Committee on the District of Columbia.

## PENSIONS FOR PROHIBITION ENFORCEMENT OFFICERS.

Mr. DIAL. Mr. President, some time during the last session of Congress I announced that I would introduce a bill at this session, and endeavor to have it enacted into law, to pension officers who were wounded or to afford compensation to their families if killed in enforcing the prohibition law. At that time I did not realize that the present law is broad enough to cover such cases. The reason why that occurred to me was that a most splendid officer was foully assassinated in my State in the discharge of his duties. Upon investigation I found, however, that the acts of 1916 and 1918 cover such cases and provide compensation for the wounded and to take care of their dependents in case of their death.

I make this statement as the reason why I have not introduced such a bill at the present session. I have found that it is unnecessary. I am not strong for pensions, but I feel that the officers who are wounded in this service and, in case they are killed, their dependents ought to be taken care of.

## BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WADSWORTH:

A bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended; to the Committee on Military Affairs.

By Mr. OVERMAN:

A bill (S. 2170) for the relief of W. H. Boyce; to the Committee on Finance.

By Mr. PEPPER:

A bill (S. 2171) for the relief of the city of Philadelphia; to the Committee on Claims.

A bill (S. 2172) to amend section 1 of the act of June 4, 1920 (41 Stat. L. 750), and to provide fees for executing applications for passports and for issuing the same; to the Committee on Foreign Relations.

A bill (S. 2173) to provide fees to be charged by clerks of the district courts of the United States;

A bill (S. 2174) to provide for accounting by clerks of United States district courts of fees received by them in naturalization proceedings;

A bill (S. 2175) to provide for reporting and accounting of fines, fees, forfeitures, and penalties, and all moneys paid to or received by clerks of United States courts;

A bill (S. 2176) to amend section 2 of the act of August 1, 1888 (25 Stat. L. 357);

A bill (S. 2177) to provide for the disposition of moneys paid to or received by any official as a bribe, which may be used as evidence in any case growing out of any such transaction;

A bill (S. 2178) to relieve United States district judges from signing an order admitting, denying, or dismissing each petition for naturalization; and

A bill (S. 2179) to provide for the rendition of accounts by United States attorneys, United States marshals, clerks of United States courts, and United States commissioners; to the Committee on the Judiciary.

By Mr. McKINLEY:

A bill (S. 2180) for the relief of the International Manufacturers' Sales Co. of America (Inc.); to the Committee on Claims.

A bill (S. 2181) to amend sections 301, 303, 305, and 306 of an act to regulate interstate and foreign commerce in livestock, livestock products, dairy products, poultry, poultry products, and eggs, and for other purposes, approved August 15, 1921; to the Committee on Agriculture and Forestry.



By Mr. TRAMMELL:

A bill (S. 2182) granting a pension to Martin Padgett; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 2183) to permit joining the United States of America as a party defendant in an action in Federal and State courts in certain actions affecting title to real property; to the Committee on the Judiciary.

By Mr. COPELAND (by request):

A bill (S. 2184) to authorize the nation-wide recording by fingerprint and footprint record at birth of all children born within the territorial confines of the United States of America and the possessions thereof; to the Committee on the Judiciary.

By Mr. DIAL:

A bill (S. 2185) to amend section 1, chapter 1, Title I, of the Judicial Code; to the Committee on the Judiciary.

By Mr. LODGE:

A bill (S. 2186) for the relief of the Atlantic Works, of Boston, Mass.; to the Committee on Claims.

By Mr. MOSES:

A bill (S. 2187) authorizing the Comptroller General of the United States to consider and settle the claim of Mrs. John D. Hall, widow of the late Col. John D. Hall, United States Army, retired, for personal property destroyed in the earthquake at San Francisco, Calif.; to the Committee on Claims.

By Mr. SIMMONS:

A bill (S. 2188) granting a pension to Charles A. Stockard; to the Committee on Pensions.

A bill (S. 2189) to authorize the building of a bridge across the Pee Dee River in North Carolina, between Anson and Richmond Counties, near the town of Pee Dee; to the Committee on Commerce.

By Mr. NORBECK:

A bill (S. 2190) granting a pension to William E. Snyder (with accompanying papers); and

A bill (S. 2191) granting a pension to Rodell C. Warne (with accompanying papers); to the Committee on Pensions.

By Mr. JOHNSON of Minnesota:

A bill (S. 2192) to abolish capital punishment in the District of Columbia; to the Committee on the Judiciary.

A bill (S. 2193) granting a pension to Linda A. Baker; and

A bill (S. 2194) granting an increase of pension to John F. Mossberg; to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 2195) granting a pension to William A. Evans (with an accompanying paper);

A bill (S. 2196) granting a pension to Benjamin Klein (with an accompanying paper);

A bill (S. 2197) granting an increase of pension to John F. Graper (with accompanying papers);

A bill (S. 2198) granting a pension to Allie Paul (with accompanying papers); and

A bill (S. 2199) granting an increase of pension to William B. Yeater (with accompanying papers); to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 2200) for the relief of the Ansted National Bank, of Ansted, W. Va.; to the Committee on Claims.

By Mr. OWEN:

A bill (S. 2201) for the relief of Ivy L. Merrill; to the Committee on Claims.

By Mr. HARRIS:

A bill (S. 2202) for the relief of Gershon Bros. Co.; to the Committee on Claims.

By Mr. RANDELL:

A bill (S. 2203) granting certain public lands to the city of Shreveport, La., for reservoir purposes; to the Committee on Public Lands and Surveys.

By Mr. MCKELLAR:

A joint resolution (S. J. Res. 67) to authorize the loan by the Secretary of War to the commander in chief of the United Confederate Veterans of cots and tents for the use of members of the United Confederate Veterans during the sessions of national encampment of the United Confederate Veterans at Memphis, Tenn., from June 4 to June 6, 1924; to the Committee on Military Affairs.

#### UNITED STATES TARIFF COMMISSION.

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution (S. Res. 131) coming over from a previous day, submitted yesterday by the Senator from Arkansas [Mr. ROBINSON].

Mr. ROBINSON. At the suggestion of a Senator who stated that he has had no opportunity of studying the resolution and

desires to have it to go over a day without prejudice, I request that it go over a day without prejudice.

The PRESIDENT pro tempore. If there be no objection the resolution will go over without prejudice. Morning business is closed.

#### LEASES OF NAVAL OIL LANDS.

Mr. CARAWAY. Mr. President, on yesterday I gave notice that to-day, after the conclusion of the morning business, I would move to have the Committee on Public Lands and Surveys relieved from the further consideration of Senate Joint Resolution 54, a joint resolution introduced by me on January 7, 1924, to cancel the alleged lease of naval reserve No. 8 in Wyoming; and I wish now to make that motion.

I move that the Committee on Public Lands and Surveys be relieved from the further consideration of Senate Joint Resolution 54.

The PRESIDENT pro tempore. The Secretary will state the motion made by the Senator from Arkansas.

The READING CLERK. The Senator from Arkansas moves to discharge the Committee on Public Lands and Surveys from the further consideration of the joint resolution (S. J. Res. 54) to cancel the lease of the Mammoth Oil Co.

Mr. CARAWAY. And that it be put on the calendar for immediate consideration.

The PRESIDENT pro tempore. The question is upon agreeing to the motion of the Senator from Arkansas.

Mr. LENROOT. Mr. President, does the Senator desire immediate action upon the motion?

Mr. CARAWAY. Yes, sir; I want immediate action.

Mr. LENROOT. Will the Senator state the grounds of his motion?

Mr. CARAWAY. Mr. President, the grounds for the motion are that naval reserve No. 3, known as the Teapot Dome, containing oil which was set aside by Executive order for the use of the Navy, and placed originally under the control of the Secretary of the Navy, and this control confirmed later by act of Congress, was by an alleged Executive order transferred from the control of the Secretary of the Navy to the Secretary of the Interior; the Secretary of the Interior negotiated what he called a lease for the drilling of the reserve. The execution of the lease was also concurred in by the Secretary of the Navy. It now seems apparent to everyone, I think, that in the first place the President had no authority to issue his Executive order seeking to transfer the jurisdiction or control of this reserve from the Secretary of the Navy to the Secretary of the Interior. In the next place, the Secretary of the Interior, Mr. Fall, had no authority to negotiate a sale, which it was in fact, but which he terms a lease, of the oil reserve. If he had any authority to sell public property it would have had to be by public sale, and this was a privately negotiated trade. In the next place, the proceeds that were to be derived from the sale of this oil—because that is what it was—were not placed in the Treasury of the United States, but the contract itself contemplated that the Secretary of the Navy might expend, in certain improvements which he himself should designate, all of the proceeds to be derived from the sale of this reserve oil. As I now recall, it contemplates eventually about \$102,000,000 that the Navy undertakes to expend on certain public works and improvements without any authorization of Congress, and without any knowledge upon the part of Congress of the nature of the contemplated improvements or of what they shall consist. In the next place, I think it is entirely apparent to everyone who has followed the investigation made by the committee of which the Senator from Wisconsin [Mr. LENROOT] is chairman that the lease or sale, whichever they feel most inclined to call it, is tainted with corruption; that it was a corrupt consideration; that it was a transfer of public property for a private consideration running to the Secretary of the Interior, who made the lease. I say, I think everybody who is familiar with the record concedes that. If I am asked to review briefly the testimony, I shall do it now.

In the first place, the alleged lease—which I again say was a sale—was privately negotiated. The public, I take it for granted, was not expected to know about it, or, at least, not until the actual drilling of the reserve should commence. When finally a resolution making inquiry about it was introduced in Congress by the Senator from Wyoming [Mr. KENDRICK], and later another resolution was introduced by the Senator from Wisconsin [Mr. LA FOLLETTE] asking for an investigation, Secretary Fall appeared before the committee. He undertook—and I do not take it that it is of very great importance—to defend the action of the President in his Executive order transferring the control and custody of this reserve from the Secre-

tary of the Navy to the Secretary of the Interior by citing certain acts of Congress. He did that in a letter that he transmitted to the President. It was conceded by Mr. Fall in the course of his examination that neither of the reasons given, neither of the authorities offered, would justify the President in issuing the Executive order; in other words, the control of the reserve being in the custody of the Secretary of the Navy, and confirmed therein by act of Congress, that neither of the acts referred to by the Secretary in his letter was a justification or authority for the President to make the Executive order to transfer jurisdiction. He finally fell back upon the broad powers, he said, lodged in the Executive to control the public domain. In other words, if we are to follow his logic, the President of the United States, positive law to the contrary notwithstanding, might make any disposition, so far as custody and control was concerned, of the public domain.

In the next place, the Secretary, in trying to pretend that he had a public letting, in answer to the question of the able Senator from Montana [Mr. WALSH], said that he conversed with certain people, representatives of oil companies, and told them the kind of a contract he hoped to make, and that the only person who would accept his contract was the Mammoth Oil Co., Mr. Sinclair's company—in other words, Mr. Sinclair himself. Asked then to reveal the names of the oil companies or other representatives with whom he had conferred, he said: "I decline to give them," and assigned as a reason that he presumed the answer would be the subject of a debate in the Senate, and that the oil companies had grown a little tender of public debate, and in order to protect them against having their names mentioned in any kind of discussion he would not give the names of the other oil companies that were asked, as he said, to submit bids for the lease or sale of the Teapot Dome.

Of course, I take it for granted that everybody will know that he did not talk to any other companies, because there was absolutely nothing in the suggestion that a company had been approached and asked what it thought the Teapot Dome was worth to which they could except; but, knowing that if he should name a company that company in all probability would repudiate the suggestion that it had ever had an opportunity to bid, he therefore declined to give the name.

We are entirely familiar—and I shall not take the time of the Senate to review it—with the statement that he made with reference to certain money that he had. It came to the knowledge of the committee by reason of testimony offered by citizens—and I presume reputable citizens—of the State of New Mexico that Mr. Fall about the time he made the lease had suddenly come into possession of a great deal of wealth, and Mr. Fall finally, writing from a hotel room here in Washington, as I now recall, said that he borrowed this money, \$100,000, from Edward B. McLean. It was admitted by him that he had taken that much actual cash by some means from the city of Washington to a city in Texas; that he paid \$10,000 of it as an advance on a ranch he was buying and deposited \$90,000 of it in a Texas bank. He gave as his reason for taking the actual cash that the banking facilities in the community where he expected to make his transaction were so limited that he felt that he ought to have the actual money; and I presume the actual transaction was in round numbers, because every bill that anybody saw was a \$100 bill. At least he had \$10,000 in \$100 bills, and had other money in the box from which he took that, and he concedes that he had \$100,000. He said that he got this \$100,000 from Edward B. McLean, and gave his personal note, unsecured, for it.

McLean, from Florida, employed a lawyer, I presume by telegraph or telephone, and had a statement given out here in the city of Washington, to be conveyed to this committee, that he did let Mr. Fall have the \$100,000, and that the note that Mr. Fall gave him, to use his words, "is now in my possession." The committee permitted the Senator from Montana [Mr. WALSH] to go to Florida and take the sworn testimony of Mr. McLean, although it is within the memory of everyone present that Mr. McLean offered to go before some official down there to swear to the contents of his telegram, which stated that he did let Mr. Fall have \$100,000, and that he then had Mr. Fall's note for that amount; and Mr. Fall said, "I took this cash with me"—that is, the \$100,000 that McLean let him have.

When the Senator from Montana [Mr. WALSH] went to Florida, Mr. McLean's regular attorney, who did not happen to be his political attorney, went with him, and they—McLean, Fall, and this lawyer—had a conference before the Senator from Montana could see Mr. McLean, the conference being, as I said, between Mr. McLean, his attorney, Mr. Lambert, and Mr. Fall. Then McLean said, "I never let Fall have a dollar." I am not trying now to quote his exact language.

He said, "I did agree to let him have money and gave him certain checks, two or three, but in a day or two he returned these checks uncashed. I never, in fact, let him have a dollar." He did not know where the note was. He presumed he had surrendered it, although he had offered a day or two before to swear that he then had it in his possession; but he did not know, at the time he did swear, whether he had the note or not. He did not remember anything about it. He did not know upon what banks he had drawn the checks. He did not know whether there was any stub or anything that would show that he ever gave a check, and I take it that it is a fair inference that he never gave a check at all. He had evidently—and it is idle to argue it—been advised by his counsel that if he should say that he let Mr. Fall have the money he would be required then to show from what banks the money was drawn. I take it that for the same reason he declined to remember upon what banks he drew the checks, for fear an examination of his accounts at those banks would show that he did not have that much money.

Therefore, I know, without any reference to what shall be the attitude of a Senator in this Chamber, that everybody knows that Mr. McLean never let Fall have \$100,000 or any other amount. I know that when Fall said he got \$100,000 from Mr. McLean here in Washington and took that cash with him to Texas, he knew that he never got that money from McLean at all. I know that every Senator in the Senate Chamber knows that when Mr. McLean got Mr. A. Mitchell Palmer to transmit to this committee a telegram from him saying that he let Fall have \$100,000, and that he had Fall's note, he knew that statement was not the truth. Therefore, knowing that there was a sale of valuable property worth, doubtless, hundreds of millions of dollars, for which the Government received practically nothing, and that sale being secretly negotiated without authority, negotiated in defiance of the opposition of the officers of the Navy who had had control of this naval reserve and knew something about it, I know that somewhere connected with that lease this \$100,000 came into the possession of Albert B. Fall, and I know that everybody else knows it.

That is not all. I want to commend very highly the son of the former President of these United States, Archie Roosevelt, because certain facts which came into his possession were made known by him to the committee. The private secretary of Sinclair, after McLean had repudiated his statement that he had let Fall have the money, called in Roosevelt and said: "I hope you will get out of this company. You have a name and a reputation to protect, and I do not want to see you in this company." Roosevelt then asked him if Sinclair had bribed Fall in this lease, and Sinclair's secretary said, "Well, 'bribery' is a harsh term or a nasty word. Maybe somebody loaned him the money."

But in this conversation he told Archie Roosevelt that he expected he himself would get out; that he was unhappy; that Sinclair had taken all the books down to his home and had gone to Europe. Roosevelt said this private secretary said to him, "I have in my possession \$68,000 of canceled checks given by Sinclair to the foreman of Fall's ranch in New Mexico." Roosevelt, knowing the relations of Sinclair's business abroad, said there was not any occasion for Sinclair to leave this country. Besides, Sinclair asked him to get a ticket to sail on the first boat that should go and to keep his name off the sailing list.

Wahlberg said, in his statement to Roosevelt, "I am unhappy, being left here all by myself, and they are going to ask me for information, and I know they are going to expect me to lie for them." God bless his soul, he lived up to their expectations, because after saying to Roosevelt that he had in his possession \$68,000 of canceled checks that had been issued to the foreman of Mr. Fall's ranch in New Mexico, he came down here and had the idiocy to say to this committee that he said "six or eight cows," instead of "\$68,000." I want to say to the Senate that no police lawyer would ever have had the effrontery, would ever have been guilty of the idiocy to tell a court that when he said, "I have canceled checks for \$68,000 in my possession given by Sinclair to Fall's foreman in New Mexico," he was talking about six or eight cows. I wonder how he accounted for having the cows canceled. It was canceled checks he had in his possession, not canceled cows, and I think the stupidity of this answer, the infamy of it, is more shocking than the actual transaction.

The private secretary of Sinclair made two statements, and I want to be absolutely fair to him. He said Sinclair gave to his lawyer, Col. Bill Zevely, so many certificates of Sinclair oil stock, and no record was made of it except a pencil memorandum put in the safe. He then changed that and said, "No; I did not give him the certificates, but I was instructed to sell



them, and I sold them for \$80,000, and I assigned that check to Colonel Zevely at the time they were negotiating with Fall for the lease or sale of Teapot Dome, and I suspected that was where it was going. In addition to that, I gave him \$25,000 in Liberty bonds, and there was no record made of those transactions, no permanent record."

The \$105,000 and the \$68,000 of canceled checks make a very significant sum. It is in evidence here, and not disputed, that Fall paid \$91,500 for the Harris ranch in New Mexico about the time he concluded this lease; that in addition to that he paid \$33,000 for some other lands; that in addition to that he bought live stock, for which he paid \$3,000; that in addition to that he paid eight or ten thousand dollars in back taxes, because he had not been able to pay his taxes in years, and had told his friends in 1920 that he was broke. He paid that \$8,000, and in addition to that he paid for a pumping plant, or power plant, an electric plant, which he constructed down there, said to have cost from \$40,000 to \$50,000. Or, in round numbers, we can show that he had come into possession suddenly of \$180,500, and we can show that Colonel Zevely, Sinclair's attorney, the gentleman who was negotiating with Fall for this lease or sale of Teapot Dome, got \$80,000 in a broker's check and \$25,000 of Liberty bonds, and the private secretary said he had in his possession \$68,000 of canceled checks, which makes just about the same sum, one hundred and eighty-odd thousand dollars, all of those transactions coming right along at the same time.

That is not all. Fall declined to go before the committee after these revelations of his suddenly acquired wealth became public, first speaking, as he said, from a sick room in New York. Then, from a sick room in Washington, he wrote a letter. All of us know the advantage of being able to write a letter and not being cross-examined, because we can put our own version on a matter and nobody can examine us as to the details. Therefore it is highly advantageous to be able to put our answer in the form of a letter, unsworn to.

After that letter was disclosed to contain an absolute falsehood—dealing with the only important paragraph in it—relating to the source from which he got a hundred thousand dollars, from a sick room in Florida he issued another statement—after McLean, from a sick golf course, had testified—to the effect that McLean told the truth, that he did not get the money from McLean, and he was not going to tell where he got it.

The senior Senator from Montana [Mr. WALSH] then left Florida. I want to say for the distinguished Senator from Montana that he has been a perpetual thorn in the flesh of these people who have betrayed his country. After he had gone, Fall said that he did not have to go before that man WALSH or any other man; that he would make a statement if he ever got ready to make it, and the inference was he would never get ready.

I do not know anything about the habits of people who have to spend their winters in Florida to keep from going before investigating committees, but the funny thing about it is that there is a very grave dispute between McLean and Fall as to who invited Fall to get into a room and charge the room rent to McLean. Fall leaves the inference that McLean just hired a lot of rooms, and if you went down there and said you were a friend of McLean, they would put you up in one of them. McLean said he never asked Fall to get into the room, that he went down there and stayed. Fall said he never registered under an assumed name. That is possibly true. As I take it, he did not register at all; he got in as a friend of McLean, minus a name.

If the public prints are to be believed—and I do believe them—when I made some remarks here in the Senate calling attention to the inconsistency of the statements, the absolute falseness of the statements, made by Fall and McLean, and called attention to the fact that they pointed to but one thing—and everybody knows they do—that the consideration for which the Teapot Dome was transferred was corrupt, and that Fall received the money for it, Fall said that was just one of a number of attacks I had made on him; that I was his political enemy, that I was always breaking my shaft on him, and that he would not dignify my statement by an answer.

He knew that was not true. He wanted to mislead the country, to make the country believe that I was merely muckraking, and that I had always been muckraking him. Senators know I never attacked him. Nobody ever heard me mention his name. I never was in his office. I saw him but once in my life, and never spoke to him in my life. I had no kind of connection with him one way or another, had no official business with him, and had no social relations with him. As I said, I saw him but one time. I saw him the time the President of the United States made the mistake of transmitting

his name to the Senate, when it met in 1921, and asked us to confirm him as the Secretary of the Interior. That is the only time I ever saw him, standing on the other side of the Chamber. I have never seen him since. I have never mentioned him, and he knew it.

He stands indicted at the bar of public conscience in America of the greatest crime a man can commit; that is, treason, because that is all it is. We are told, and we will be told again, just as soon as the naval appropriation bill comes upon the floor, that our first line of defense is the Navy; that without the Navy we will lose our independence, and after the scrapping of the ships which it was provided should be scrapped after the Washington Conference on the Limitation of Armament, which was called in response to a resolution forced through this body by the distinguished Senator from Idaho [Mr. BORAH], we have scarcely a ship afloat on the sea not burning oil. As former Secretary of the Navy Daniels said, "Without oil, they will be as useless as painted ships upon a painted ocean." Every gallon of reserve oil, every drop of it that this country had for its Navy, this man Albert B. Fall transferred to two oil speculators in this country, one named Sinclair and the other named Doheny; and Doheny modestly admitted that he would be in awful hard luck if he did not make \$100,000,000 out of the part of the loot that he got from Mr. Fall. How much Mr. Sinclair is to make nobody knows.

But that is not all. It looks as if there might have been a conspiracy to destroy the usefulness of the Navy. I say again that this was a sale, because if you read the contract you will find that we do not have the right to get one gallon of fuel oil or anything else under this contract. It was a sale, absolute and outright, and under that we had the privilege of being paid in fuel oil. Fuel oil may be used now, but may be useless a few years from now on account of a change in the type of engines.

Then this matter is left out of consideration: We know now that the control of the air is essential if we shall engage in a war in the future. Our flying machines are propelled by gasoline, and as a result of this contract we will not control a gallon of gasoline in the whole United States. Every drop under our control was transferred under these leases or sales. We are dependent upon private companies for every gallon of gasoline this country shall burn; and we get in return certain public improvements, it is said.

The oil was sold. Mr. Fall said he was entirely justified. I am not quoting his exact language, but his implication—that Congress did not have sense enough to know the needs of the Navy, and since they got their hands on this money they would not put it in the Treasury; they would keep it and make whatever improvements they saw fit. That was a powerful indictment of this administration, because the power that appointed Fall and Denby to office was still in power. The Senate at that time was overwhelmingly Republican, and the House likewise, so that the whole administration of affairs was in the control of the party he represented in the Capitol. Yet he said—and I am not using his exact language, but giving his idea—that Congress did not have sense enough or patriotism enough to take care of the needs of the Navy. As I now remember it, the contract was for about one hundred or one hundred and two million dollars, and the Secretary said that having got hold of that he wanted to construct certain public works and not report to Congress at all. Among them was dredging a channel in the Hawaiian Islands, the building of certain storage tanks, and other things. The testimony shows that they were making certain expenditures that it was perfectly proper to tell Sinclair and Doheny about, these two patriotic men who bought our naval oil reserves, but that it would be unwise to tell the Congress, and therefore Congress is not told of certain transactions, but Sinclair and Doheny were told.

Mr. REED of Missouri. Can the Senator state approximately the amount of money that was to be diverted in that way?

Mr. CARAWAY. It contemplates about \$102,000,000, as I now recall it, and I think I am accurate.

Mr. REED of Missouri. What authority did Denby have to divert the money in that way?

Mr. CARAWAY. We are not patriotic enough to know. Sinclair and Doheny know, but none of us in the Senate must know about it. These two patriotic oil manipulators know. My friend the Senator from Tennessee [Mr. McKellar] furnished me with the word; I was feeling about for a stronger term. But what is amusing about it is that first they read the committee a lecture. They said, "This way of imputing to oil men a lack of patriotism we resent. When it comes to patriotism the oil people are the salt of the earth. You know you have some oil down there that is for the reserve of

the Navy, upon which the life of this Nation shall depend, but if you do not let us have it some other 'patriotic' oil men are going to steal it."

Mr. FLETCHER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from Florida?

Mr. CARAWAY. I yield.

Mr. FLETCHER. In connection with the Government's vital interest, the Senator mentioned the Navy as the first line of defense. Closely related to that is the merchant marine as a part of our national defense.

Mr. CARAWAY. But does not the Senator from Florida remember that the head of the Shipping Board sold \$30,000,000 worth of ships for \$3,500,000 and said, "Do not tell it, because somebody might want to borrow it"?

[At this point a message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.]

Mr. ASHURST. Mr. President, I suggest that the message be read.

Mr. CARAWAY. The Senator from Arizona wants the message read, and if I may yield for that purpose—

Mr. ASHURST. It may be a message directing Attorney General Daugherty to take some action against these land thieves.

Mr. CARAWAY. Let us not waste time on that, because that would not affect oil thieves.

Mr. FLETCHER. Mr. President, I had not finished my observation. We have declared that it was important for our national defense that we should have a merchant marine. A number of ships are being changed into oil burners, so that it is very important that we should have an oil supply if we are to have a merchant marine; but, of course, if the ships are to be given away we have no further interest in it.

Mr. CARAWAY. If we do keep a ship or two, we can buy the oil from Mr. Sinclair, who bought it from Mr. Fall.

Mr. McKELLAR. Is this oil being taken out of the wells at this time?

Mr. CARAWAY. It is.

Mr. McKELLAR. If it is, and this contract ought to be canceled, as I believe it should be, should we not do it at once, so as to stop the further stealing of the oil?

Mr. CARAWAY. Without question we ought to stop it, for another reason. I know there is not a Senator on this floor who does not know that this contract was entered into for a corrupt consideration; that it was a buying and selling of public property for a corrupt and private benefit, and knowing that, I say I do not understand how any self-respecting Senator can refuse to take whatever steps may be offered at the first opportunity to stamp our disapproval upon this transaction, order the return of whatever may be left of the oil to the custody of the Government, and ask for an accounting from the people who have been taking this oil out of the public domain.

Now, some Senators tell us that we have no power to cancel the contract. I think we have, and I think that I can convince anyone of that if he cared to follow what I shall say about it. In the first place, we all know that a man who deals with the Federal Government must take knowledge of the character of the agent and his right to act. In other words, an agent of the Government can not prejudice the Government, can not dispose of its property unless he is specifically authorized to do that particular thing. He is always an agent of limited power, and that power must be found either in the general law or in some specific act of Congress. Therefore any man who buys Teapot Dome or an Army mule or a discarded automobile from any agent of the Government must do so at his peril. In other words, he must have knowledge of the character of the agency and of the powers vested in the agent of the Government who undertakes to sell.

Starting in with that basis, I know that no lawyer can examine the record and not know that Mr. Harding had absolutely no power to transfer the custody of these reserves from that of the Secretary of the Navy to that of the Secretary of the Interior. Everybody will concede it. Fall conceded there was no act of Congress that gave him the power, although he had asserted under certain acts of 1920, and what we know as the Overman Act, that the President did have the power; but when the Senator from Montana [Mr. WALSH] called attention to the provisions of those acts, he admitted he was wrong in saying the power was lodged there. Then he said: "The President has the general power to do what he pleases with the public domain, and that was the source of his authority for transferring to me the custody of these reserves."

Fall never took counsel of a single lawyer as to his authority to act. He jocularly said that he "ran for a lawyer" one time

himself, but never did know whether he was elected or not. Well, that was not all he ran for, and he was not elected either. He then admitted that the officers in the Navy, particularly a man by the name of Stuart, and Admiral Griffin were bitterly opposed to the transfer; but he said: "I made no kind of inquiry of them. I just learned in a general way that they did not believe in it, but I did not ask them about it." Yet they were the men who were charged with the defense of the country. He took no counsel to determine by asking people who knew as to his authority, although he had a law board down there, he had his general solicitor, and had at the head of the legal department the great attorney from Ohio, Mr. Daugherty. He asked none of them, although I believe it now develops that Mr. Daugherty assented to the contract. I saw that published in the press and not denied.

That is the first, that there was no authority in Fall to negotiate the lease. The next point is that everybody must take notice, if public property is to be sold that it must be done at public auction, at a public sale where everybody has the right to bid; but this was a privately negotiated sale, and therefore absolutely void, because there was no authority in the agent to make it.

In the next place, the consideration for which the sale was made was illegal and unauthorized; that is an attempt to transfer certain funds to the Navy to be used in a certain way, and Sinclair and Doheny were to be the agents to expend the money, not through an act of Congress, not through an appropriation, but through a mere giving it over to them by the Secretary of the Navy, which was an illegal act and they knew it.

Coming down to the last proposition, we know that a contract tainted with fraud and corruption is voidable, at least. Congress is vested with absolute control of the public domain. It can do what it pleases with it. It can give its custody to the Secretary of the Navy or the Secretary of the Interior, or can allot it to homesteads or sell it as timber or mineral claims, or reserve it for future use, as we had done with the oil reserves. Having absolute control of the subject matter, which is the public domain, which has never been legally parted with—and everybody knows it was not legally parted with in this instance—we can do what we please with it. We can transfer it to the custody of any officer we see fit; and that of itself would cancel the lease.

Some Senators, however, say we must go to court with it. Colonel Lynn, I believe, is the custodian of the Capitol. He has the right to care for it, just as the Secretary of the Navy had the right to care for the oil reserve. Suppose Colonel Lynn were to sell this building to the nigger janitor and we should come here to-morrow to meet and find the janitor in possession of the Senate Chamber, and he should say, "I bought this building from Colonel Lynn, and I am in possession of it. Now you have to go to court to cancel my deed before the Senate can meet here." That would be just as reasonable, it would be just as good sense, it would rest upon the same "sound" legal reason, if there is one, because he has a deed which on its face is a valid deed, made by the custodian of the Capitol, and he is in possession. Therefore he could say, "You can not come here until you go to court and cancel my deed by a process of law. I bought the Capitol. I have a deed which is perfectly good on its face; I am in possession, and therefore I defy you to put me out." You know we would not fool with him a minute. We would call a door-keeper and have him pitched out on his head, which would not hurt him at all.

There are things sometimes that rest upon mere technicalities. Everybody in the country knows that the country has been betrayed. The country knows that Albert B. Fall sold our naval reserves. The country knows that it was a corrupt consideration. The country knows that he sold one of the vital necessities of our national defense. Are we to make a recommendation only that this grave wrong be referred to the President and be asked to refer it to the Attorney General? I do not think a self-respecting Senator can afford to do that.

If the Attorney General wants to act, he does not have to wait until we suggest it. He has the power to-day to file suit. Therefore it is futile, it is useless, it is childish for us to pass a resolution and ask the President to direct the Attorney General to act or appoint some special counsel to act, because that power is in his hands now. It is idle, it is childish, it is an absolute betrayal, it seems to me, of the confidence of the people of America for the Senate of the United States to do that. Do you believe that Fall sold the naval reserve? Do you believe it is wrong for a man to sell public property for private gain? Do you believe it is wrong to sell the means by which this country must live? If you do, are you willing to condone it by



saying it is not for us to act, or rather shall we not take the action that you know we can take and cancel the lease?

I want to say to those who think we ought to pass a resolution merely authorizing some lawyer to bring suit at some time, when he has no bootlegger to chase, that if we take the course suggested here, if the question of the right of Congress to cancel the lease shall be brought in question, we would be in court. We would get there surely and certainly, because, as soon as Mr. Sinclair gets over his scare, he will come back to defend the loot which he bought. If he does not come, he will hire some lawyer to act for him, and we would get into court that way, we would get into court surely that way, and we would get into court with the advantage of having the initiative upon the other side, and letting the other people carry the burden of the prosecution of the suit. Then we shall be in court with clean hands, and we have done our duty.

I have here a sample of the kind of "news" that is being sent out from the Capital, and I resent it. This was published in a good Republican paper up in the good old State of Maine:

FALL BELIEVED TO BE "PROTECTING" OTHERS—ADMINISTRATION CONVINCED THERE WAS NOTHING WRONG ABOUT LEASING TEAPOT DOME.

Appointment of Albert B. Fall, former Secretary of the Interior, as ambassador to Mexico, has been suggested to the administration as one way of taking the Teapot Dome scandal out of the 1924 presidential campaign.

[Laughter.]

I saw a cartoon yesterday in the Denver Post depicting where somebody had tied the Teapot Dome to the elephant's tail; he had switched it around, the hot tea was pouring out on his back, and he was saying, "Here is some stunt for me." I saw another cartoon yesterday in the Baltimore Sun. The G. O. P. came in just dripping with something black. It looked like tar, but I did not see feathers. Somebody hollered, "Get the soap, Cal., and hot water and brush quick, before he tracks it all over the house." You can not take the Teapot Dome out of politics by making Mr. Fall minister to Mexico. I suspect he could find very many activities down there along his line, but he can do that without being minister to Mexico.

I want to read a little further. There are some mighty interesting things in this:

Those favoring this move argue that if President Coolidge were to appoint Fall this would stamp Fall with the administration's approval and would convince the country that President Coolidge was satisfied there was nothing about the leasing of the Teapot Dome by Fall to the Sinclair interests which arouses suspicions.

Here is what I want to read to the Senate particularly:

If the full story of the Teapot Dome can be disclosed, it will have a definite effect on the presidential campaign, say those who know more about it than has been told the public. Fall's reticence about some phases of the matter is well understood here.

That is, in Washington. This is under a Washington headline.

It is no fear of personal consequences which has caused the former Secretary to remain silent. He simply does not want to give testimony which he knows would be used by antiadministration forces in the campaign.

Here is what I want to call particular attention to:

Members of Congress who are among the most influential members of the "administration group" will be involved if the whole story comes out.

That is not Democratic propaganda. With such stories going out from Washington now, can any of us afford—I do not happen to be among the "administration group," and the Lord be praised for that—to have that sort of propaganda going out and poisoning the public mind, inferring that we have a situation here in which we are taking care of Members of the House and Members of the Senate by refusing to take action in this matter?

I am perfectly willing to accept the amendment, and I shall propose it, in substance, if we get permission to proceed with the question, adding as a fourth paragraph to the resolution already reported, "that the President is hereby authorized to employ counsel to carry into effect the provisions of this act or to take any other action necessary to restore these reserves to the public domain and to compel an accounting by the interests that have them." Therefore if somebody feels a hesitancy about whether the Congress has the right to act, we would have the definite, positive stamp of the disapproval of Congress upon this transaction. We have what I believe is the absolute right to cancel it, and, hedging against that, to protect anybody who might feel differently, I am willing to put

in a provision that the President may employ special counsel—and I think that is absolutely necessary if we are to get anything done with it, if we are to leave it to the courts—to carry out the provisions of the act or to take any other action necessary to restore immediately these reserves to the public domain and to compel an accounting by those people who unlawfully have possession of them.

Mr. SMITH. Mr. President—

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Arkansas yield to the Senator from South Carolina?

Mr. CARAWAY. I yield.

Mr. SMITH. I would like to ask the Senator, who has been giving the record of the transaction, what compelling reasons, from their standpoint, were ever given for the transfer of these reserves from the Navy Department to the Department of the Interior?

Mr. CARAWAY. I am going to answer that seriously. Seriously, they said that administration was easier under the Department of the Interior, because that department has charge of a bureau dealing with public lands, than under the Navy Department, although there was no trouble about the administration of Teapot Dome or reservations Nos. 1 and 2 in California until Mr. Fall became Secretary of the Interior and until Mr. Denby became Secretary of the Navy.

Mr. SMITH. Were not those reserves set aside and known as naval reserves before they were ever transferred?

Mr. CARAWAY. Absolutely. They were transferred to the Secretary of the Navy for the protection of the Navy so that it might have fuel in the years to come. There was no trouble about the administration. Mr. Fall undertook to say that there was some drilling of and draining through near-by wells. I venture the assertion that, possibly with one or two exceptions, they were not even threatening to drain them until he executed leases to permit their being drained.

There was a controversy pending before the department, which did come up before this administration; and whatever implication goes with it I am perfectly willing that it shall be considered. There had been a controversy affecting one section of land in the California reserves. It had been assigned to the State of California as the thirty-sixth section and by it transferred to the Standard Oil Co. as nonmineral land, although the evidence is overwhelming that everybody knew that it was among the richest oil-bearing lands in the world. These people had had their claim pending for seven years. It never had been acted on. They had never been given the right to drill. But when Mr. Fall became Secretary of the Interior, instead of letting that controversy take its ordinary course, which would be for the parties to be heard by the agents of the department and finally come to the Commissioner of Public Lands, and then on appeal, if necessary, to the Secretary of the Interior, he lifted it out of the usual channels and brought it directly before himself. If I am not mistaken, and I think I am not, in one hearing he brushed aside all the objections to the transfer of this land to the Standard Oil Co. and confirmed every detail of it in an ex parte hearing before himself. I know the record shows that certain agents of the Government were present, but the record does not show, as I read it, that one of those agents opened his mouth. The Standard Oil Co.'s attorney came down and made a "convincing" argument before Mr. Fall, who had lifted the controversy out of its ordinary channel of determination. He forthwith confirmed and patented the lands to the Standard Oil Co., and they went to drilling.

Then Mr. Fall said, "Since they are drilling there, they will drain our oil." He then made a secret contract with Mr. Doheny to drill defensive wells. Then a controversy arose between the Secretary and another oil company who said it had been promised a part of this "pie," and Fall made Mr. Doheny then give to the other company eight of those defensive wells. I think there were either 18 or 22 to be drilled, but they divided them in that way.

Then, without anybody knowing it, this transaction entered into to drill defensive wells turned out to be a contract to exploit the whole of reserves 1 and 2, about which Mr. Doheny later said he would be in hard luck if he did not make a hundred million dollars out of it.

There was a bitter protest against the transfer, as far as they let them be heard at all, of these oil reserves. The Navy wanted to keep the reserves, except one man whose name just now I am not going to mention, because the whole story is not yet ready for publication.

Mr. McKELLAR. Mr. President—

The PRESIDING OFFICER pro tempore. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. CARAWAY. I yield.

Mr. McKELLAR. I want to ask if the Secretary of the Navy approved this transaction?

Mr. CARAWAY. Oh, yes; he approved it.

Mr. McKELLAR. Why is he not equally guilty of having aided in the disposition of these reserve oils?

Mr. CARAWAY. The Senator from Tennessee is a lawyer, and he knows that a man can not be held liable unless he has understanding enough to know what he does. He must have comprehension of the act; and the Secretary of the Navy said that it was just a mere matter of detail, to which he gave no concern. Therefore he did not know and therefore he is not to be criticized.

Mr. McKELLAR. Is he getting out on the sole plea of absolute ignorance?

Mr. CARAWAY. Oh, well, I think he has established it to everybody's satisfaction. A man who thinks it is a mere matter of detail, to which he should give no concern, to sell for a corrupt consideration every gallon of the Nation's reserve oil, upon which the Nation must depend in time of war, I do not think could be liable criminally for anything he might do.

Mr. KING. Mr. President, will the Senator yield?

Mr. CARAWAY. I yield to the Senator from Utah.

Mr. KING. What excuse is given by the Secretary of the Navy or the Navy officials for entering into the contract to expend \$102,000,000 without any appropriation whatever from Congress? They knew that Congress had denied them the right to make these large appropriations for oil tanks, and so forth.

Mr. CARAWAY. Absolutely.

Mr. KING. And yet, in defiance of Congress, they entered into a contract the result of which will be to cost \$102,000,000, which indirectly comes out of the Treasury of the United States. Does not the Senator feel that from the record the Secretary of the Navy has flagrantly violated the law, and that he ought to be compelled to resign?

Mr. CARAWAY. I thought the Secretary of the Navy offered the only defense that he had.

Mr. OVERMAN. Mr. President, somebody else must be at fault in allowing \$102,000,000 that was not appropriated to be expended. How did they get the money out of the Treasury?

Mr. CARAWAY. I can answer the Senator from North Carolina about that. They sold the fuel oil in the reserves, and instead of putting the money in the Treasury they put it in their pockets and paid it out on these contracts when they got ready. The Secretary of the Navy undertook to present as a reason for this action the opinion of some lawyer who based his whole defense upon the use of the word "exchange," and urged that they had a right to exchange, and since they had a right to exchange oils in the ground for oils above the ground they could not exchange them unless they had certain public works, to wit, reservoirs, built, and therefore that the power is implied to build the reservoirs and dig channels and everything else. It is clearly shown, however, if the Senators care to follow the very able examination of the Senator from Montana [Mr. WALSH] that it was not a transfer. The Government did not get a single gallon of oil. They were led to accept about 6 per cent of what it was worth in fuel oil, delivered at some other place and from some other source. In other words, they sold what we had and bought in the open market from somebody else.

The Secretary of the Navy does not undertake at all to justify the use of the money. The Secretary of the Interior did by saying over and over again that Congress did not have sense enough or did not have patriotism enough, if it got hold of the money, ever to make the appropriation for the Navy, and knowing that, when they had it they just decided to keep it. Now, that is the whole situation.

Mr. SMITH. Mr. President, I should like to ask the Senator a question. How long after the transfer of these reserves from the Navy to the Interior Department was this transaction between Fall and Sinclair negotiated?

Mr. CARAWAY. Just as soon as they could agree upon the price. As soon as Sinclair could sell his securities and agree with Fall they did it. As I now recall—and if I am wrong I hope some Senator who has followed the matter more closely than I will correct me—they were negotiating the sale of it before they ever got the President to sign the Executive order. They seem to have written the order for the President, and the Assistant Secretary of the Navy said he took it to the President to get him to sign it. They found out what sort of an order they wanted. The Secretary of the Interior finally admitted that there was some question about his right to act, and because of that question they got the Secretary of the Navy also to sign his name blindly.

Mr. McKELLAR. Mr. President, under the circumstances the Senator has narrated, does he not think that his joint resolution should include a demand upon the part of the Senate for the resignation of Mr. Denby, the Secretary of the Navy, or at least that a resolution should be adopted requesting his resignation?

Mr. CARAWAY. I do not feel that way about it. I do not think that it is within the province of Congress, and certainly I do not think it would be good taste, to pass a resolution of censure of a Cabinet officer. If he is guilty of any conduct that renders him unfit for office, I think he ought to be impeached through the regular channels. With all due deference to the Senator from Tennessee, I am not much in favor of just reading people lectures. It is rather a bad habit that we sometimes get into. I think the President himself will take action in this matter. I noticed this morning—and I want to be entirely respectful to the President—that the President is quoted as saying this:

President Coolidge has ordered Attorney General Daugherty to send a Department of Justice agent to the Senate committee's investigation of Teapot Dome to listen to disclosures regarding the leasing of the naval oil reserve to Sinclair interests, it was stated at the White House to-day.

Now look here:

If irregularities are disclosed at the investigation, the Department will take whatever action is necessary to bring to justice any individual found guilty of breaking the law, it was stated.

If irregularities have taken place!

The next statement is:

Mr. Coolidge took this action because of certain rumors heard by him.

Certain rumors, you know, that he had heard. Hearing less rumors than the President heard, the son of a former President of these United States, Archie Roosevelt, resigned the only position he had on the earth, and said in effect: "I would rather protect my reputation than to have a place of profitable employment." He resigned; and if the President, hearing still more rumors than that, wants to keep Mr. Denby, I rather imagine that it will be for the President himself to determine that question. I do not believe he will do it. I believe, if you Senators see fit to do what I feel morally certain you will do, and cancel this lease, it will be such an emphatic declaration that the people who were responsible for the sale of this property can no longer usefully serve the American people, and therefore they will be compelled to get out of office.

I will prepare the amendment that I have suggested to the joint resolution and send it to the desk.

Mr. CARAWAY subsequently said: Mr. President, I send to the desk the amendment to which I have referred and ask to have it printed in the Record.

The PRESIDENT pro tempore. Without objection, the amendment will be printed in the Record.

The amendment is as follows:

That the President of the United States is hereby respectfully requested to employ special counsel to carry into effect the provisions of this act, and to take all other steps which may be deemed necessary to restore this reserve to the national domain and to secure an accounting for the oils and minerals taken from this reserve.

Mr. LENROOT. Mr. President, I shall have only a word to say upon this subject at this time.

If the purpose of the motion to discharge the committee be to indicate lack of confidence in the committee now having it under consideration, I have nothing to say. I merely wish to call the attention of the Senate at this time to the Democratic members of that committee, inasmuch as this motion emanates from that side of the Chamber. They are the Senator from Nevada [Mr. PITTMAN], the Senator from New Mexico [Mr. JONES], the Senator from Wyoming [Mr. KENDRICK], the Senator from Montana [Mr. WALSH], the Senator from Colorado [Mr. ADAMS], and the Senator from Washington [Mr. DILL].

If the reason for this motion be lack of diligence upon the part of the committee, I call the attention of the Senate to the fact that nearly all of the circumstances stated by the Senator from Arkansas this morning have been brought out by this very committee subsequently to the time when he introduced his joint resolution, which was on January 7.

Mr. President, the committee began this investigation on the 22d day of last October. The members of the committee returned to Washington for that sole purpose. Up to this time we have taken five volumes of testimony, which I hold in my hand. There are two principal subjects under investiga-



tion by the committee. One of them is the lease of naval reserve No. 3, known as the Teapot Dome, and referred to in the joint resolution; another, the lease of naval reserve No. 1, in California. The lease of the Teapot Dome was made to Mr. Harry Sinclair. The lease of naval reserve No. 1 was made to Mr. E. L. Doheny. At the time this joint resolution was introduced, on January 7, practically all of the evidence before the committee with relation to the validity of these leases applied equally to the lease made of reserve No. 1 as it did to the lease of reserve No. 3; and yet, for some reason—I do not know what it could be—the Senator from Arkansas asks for a cancellation only of the lease on the Teapot Dome.

Mr. CARAWAY. Mr. President, may I interrupt the Senator?

Mr. LENROOT. Certainly.

Mr. CARAWAY. There is another joint resolution pending to cancel the other lease.

Mr. LENROOT. Very well. Does the Senator make the same motion?

Mr. CARAWAY. I will do it.

Mr. LENROOT. Is that joint resolution before the committee?

Mr. CARAWAY. If the Senator cares to vote on it, I shall ask that the same action be taken.

Mr. LENROOT. No; I ask the Senator the question, Are both joint resolutions before the committee?

Mr. CARAWAY. Yes, sir.

Mr. LENROOT. And the Senator makes the same motion with reference to both?

Mr. CARAWAY. I did not make it. I made it for this one; I want to see what action I will get out of that, and then I shall make it with reference to the other one.

Mr. LENROOT. Very well.

Mr. President, the committee without regard to party lines, all the members of the committee, are cooperating and endeavoring to get the truth regarding this matter. Former Secretary Fall has been subpoenaed by the committee. I have a telegram from him from New Orleans, dated last night, stating that he expected to take the train this morning.

Mr. President, I am not going at this time to discuss the legal questions involved. There are many legal questions, and they are very serious ones: First, the question of the power to make these leases at all; second, whether the necessary formalities have been complied with in the making of them; third, the question of whether they were fraudulently or corruptly made. Those are the questions the committee is considering at this time. Of course, if the Senate shall take this action and pass these joint resolutions, if the Senate itself shall find that these leases were invalid and were corruptly made, there is no occasion for the committee to go any further at all with the investigation. I undertake to say, however, that if the committee this morning had reported these joint resolutions, under the state of the evidence that now exists, we would have been condemned for so doing and for not pursuing the investigation further.

Mr. President, this motion must go over under the rule, and I am going so to ask, in order that Members may advise themselves from members of the committee on the other side and on this side, if they are not fully advised, as to the present status of the matter before the committee, and the purpose of the committee to pursue it as far as it can be pursued and to find out the truth as far as it can be found out. Then tomorrow the Members of this body will be in a position to vote upon the motion more intelligently than they are to-day.

Mr. HEFLIN. Mr. President, I am heartily in favor of the joint resolution of the Senator from Arkansas. The passage of that joint resolution will in no way prevent the committee from continuing the investigation now in progress. The cancellation of the lease of the Teapot Dome property will in no way prevent the committee from inquiring into all the details connected with the transaction. We are called upon to-day to say that we disapprove the disposition of this property as it was disposed of, and that we are going to stop the parties at once from taking oil out of these Government reserves.

Mr. President, if the Senate is going to sit silently by and permit the making of such fraudulent transactions, there is no way for the Government to protect itself. I, for one, am ready to go upon record as saying that this is a shady transaction; that the oil reserves of the Nation have been bartered to oil kings in the country, and that the country has been deprived of this wonderful fund of oil that it was keeping against the day of need. President Taft had it protected and preserved. President Wilson had it protected and preserved. Now it has

come into the hands of another administration, and from the testimony in the case no intelligent, fair-minded man can escape the conclusion that somebody in official position has made money out of the disposition of this property that belongs to the Government and the people of the United States.

The Senator from Wisconsin [Mr. LENROOT] suggests that this joint resolution be not passed because a Senate committee is investigating this matter. Why, nobody knows how long this investigation may be prolonged. It may be extended over weeks and weeks, and in the meantime Sinclair and his company will be pumping the oil out of the earth and selling it, getting that which belongs to the American people under a license that was obtained unfairly and, I think, corruptly. What are we to do? Shall we just say, "We are helpless, because there are legal questions involved. Let him continue to pump out the oil; let him continue to sell it; let him continue to clip his coupons, and let him continue to flee the country, beyond the reach of the hand of the law of the Nation whose resources he has pillaged and plundered?"

Why, Mr. President, if a man were to steal a horse, and were to say that he bought it from some fellow, and say, "There are some legal questions to be looked into, and I wish you would investigate them while I ride out of the State with the horse," of course after he crossed the State line he would be out of your reach and control, and then he would laugh at you back across the State line and thank you for the prolonged investigation that you had made.

Mr. President, there is no question that the American people have gotten the impression that looters are licensed by men high in authority in the Republican Party, the party now in control of the Government. We might just as well talk plainly about this thing. I do not care who he is, whether he is a Democratic President or a Republican President, a Republican member of the Cabinet or a Democratic member of the Cabinet; it is my duty and my business as a Senator, sworn to safeguard the interests of the people, to repudiate him if he is unfaithful and guilty of wrongdoing against his country.

Mr. President, take the testimony of young Roosevelt, who was employed by Sinclair, the oil king. He said that as soon as he read the speech of the Senator from Arkansas [Mr. CARAWAY] he decided that he was in the wrong place, and he went before the Senate committee here and told of shady transactions in connection with the disposition of this Government property; and how the head of this great oil concern, who now enjoys the millions that he has made out of this Government deal, says, "Get me passage on the first ship to Europe, but do not put my name on the sailing list"; as much as to say, "I don't want anybody to know I am getting out of the country, but things are getting rather hot and embarrassing here, and I am going to leave."

Others connected with the company have left, and there are contradictions regarding the money obtained by Mr. Fall about the time of this very ugly transaction. Oh, Mr. President, the trail of the serpent is over it all.

What are we going to do? Is this a matter of small moment? One of these oil kings boasted that if he did not make a hundred million dollars out of the transaction in which he participated, to the hurt and injury of the Government, he would feel that he was a failure as a business man, or words to that effect. A hundred million dollars handed over by those who were trusted to take care of and safeguard this property of the Government. I have heard that a naval officer in charge of the property out there was told that they were going to dispose of it and that he said they could not do it while he was there; that he was relieved and that some one else with a sense of right and duty not quite so keen and stern was put in his place.

We are the immediate guardians of the Government. Are we going to stand off and permit big looters on the outside who have accumulated millions, maybe in questionable ways, to come and lay their tempting offers before unfit public officials hungry for the ill-gotten gain of corrupt transactions to open the doors to the Nation's natural resources and brazenly barter them like sheep in the market place? Have we come to that, Senators?

The eyes of the Nation are upon this thing. I have received a number of letters about the short statement I made about it in the Senate the other day, and I want to read one from Los Angeles, in the far-away State of California. It reads as follows:

DEAR SENATOR: Being a strong believer in giving praise where praise is deserved, I want to compliment you on your stand on the Teapot Dome steal, and am exceedingly glad to know that we have a Democrat in the Senate who has the stamina to face the guns and see to it that this gigantic steal does not receive the whitewash, as so many others of its kind have done.

I shall watch with interest your work on this subject, and while the big papers have not given your stand the publicity it deserves, Senator, you know there is a reason. But let me tell you that I have heard more favorable comment on this from the laymen of this city than anything that has happened in recent months, as everyone has expected it to be nicely whitewashed and laid to rest.

Common sense teaches us that Harry Sinclair is not shipping his Holstein cows and stallions around the country gratis. Go after them, Senator. We are for you.

Respectfully yours,

S. C. HARLEY.

Whitewash? Not much, Mr. President. This is not the only investigation that is going to be had about scandalous performances by men in public position in our country. Another one will be commenced very soon.

Whitewashed and laid to rest? What do they think the Senate is—a body that can be put to sleep by soothing sirup administered by certain predatory interests in the country or by threats of punishment at the polls? If we have reached that time, Mr. President, we are on the down-hill road as a government.

We ought to weed out those who are unfaithful and put the stamp of our disapproval upon men in high place who are unfaithful to their trust. What are you going to do if you put a smart, shrewd man in the Cabinet, who knows how to take care of the legal phases of a fraudulent deal, and he barter something that belongs to the Nation, passes it over, and as soon as the House and Senate find out about it and go to investigate it, says, "It is all right. It is fixed up according to law, and your only recourse is in the courts?"

I am ready to set a precedent in such matters to-day, and put authority to settle these things in the Congress of the country. Let this Congress say, "This transaction was fraudulent. This property belongs to the Government, and those who have looted it shall pay back to the Government the money they have made out of it, and those who have put the deal over shall be branded with the disapproval of the Congress."

Mr. President, this is a very serious matter, and I want to say, in conclusion, that I can not think there will be many Senators who will vote against the Caraway resolution. It will in no way keep the committee from going on with its investigation and finally reporting its findings and saying in its report that while the Senate canceled the lease, "We had found certain facts up to that time, and more facts since that time, justifying the Senate in the position it took."

Talk about throwing up the sponge and quitting the investigation! They would not quit it if I were on the committee, and I do not think it will be stopped with those on the committee from this side of the Chamber, and I take it that some on the other side would want to carry the investigation on. It is going to be carried on or it will be a matter of discussion here many and many a day before we adjourn, in the summer, because one Senator has just as much right here as another Senator to bring matters to the attention of the Senate and the country.

I have promised the country, and promise again now, that I am going to do everything in my power to bring the truth of this national scandal to the attention and consideration of the American people. In referring to President Coolidge's message, I said that I regretted that he did not have something to say about the Teapot Dome scandal. I feel that he should say something about it, but he did not. I did not see how the President could fail to say something about it; but he did fail to do so, and he is keeping in his Cabinet a man who was a party to this deal with Mr. Fall.

Mr. President, if we agree to the motion made by the Senator from Arkansas [Mr. CARAWAY] we will say by that action that the leasing of the Government's Teapot Dome oil reserve to Sinclair & Co. under the circumstances disclosed was wrong and reprehensible. By that action we would place the stamp of our disapproval upon a horrible piece of deception and fraud perpetrated by Federal officials against the Government and people of the United States, and we will be justified by the facts disclosed in declaring that those in authority who bartered or leased the Government's Teapot Dome property betrayed a public trust and were guilty of criminal conduct. Let us act speedily and, so far as we are concerned, condemn as quickly as possible this crooked and fraudulent performance against the public, this crime against the country.

This is a matter of grave national importance. It involves past and present national officials. It amounts to a great national scandal and crime, and we, the Nation's representatives, should speak out against it in no uncertain tones to-day.

I am ready to vote on the motion to-day, and I am ready to help set a precedent. I do not care what legal phrases are

used in fraudulently transferring the property of the Government of the United States to a band of marauders with their millions, I am ready to set a precedent by saying that these deals shall be declared off the minute the Government discovers the scandal and the crime.

Mr. KING. Mr. President, before action is taken upon this matter I should be glad to know the views of the members of the committee, who have for months been giving the questions involved earnest consideration. I can see that there are legal questions involved, more or less serious, which undoubtedly must affect any action we may take looking toward a cancellation of the lease mentioned in the resolution.

If the matter involved is merely withdrawing from the committee the further consideration of the resolution before us, then we need not be so much concerned; but if we are to be asked to declare by legislative fiat that the lease is null and void, then another question is presented. It is open to serious question whether that course is wise and proper, conceding that fraud and corruption procured the lease. It would appear that the questions involved present judicial aspects.

We have a very diligent committee, composed of men of high standing and great ability. They have been prosecuting with the utmost zeal all the ramifications and sinuosities of these transactions, which, upon their face, appear to be corrupt and fraudulent. The investigation has not been concluded. Doubtless it soon will be concluded. There may be some question of propriety with respect to passing upon this matter when the committee now are actively engaged in the discussion of it, and when doubtless within a short time they will submit to us their complete findings and recommendations, which will undoubtedly meet all the legal questions involved.

I ask with some reluctance what is the pleasure of the distinguished Senator from Montana [Mr. WALSH], who has borne the brunt of this investigation and to whom very great credit is due for his excellent work.

Mr. WALSH of Montana. Mr. President, I had hoped that it would not be necessary for me to discuss this matter at the session to-day. I understood the Senator from Wisconsin [Mr. LENROOT] to object to the present consideration of the motion and to make the contention that under the rule it would go over for consideration until to-morrow. If that shall prevail, I shall be very glad to be heard by the Senate at that time. If it becomes necessary to proceed with the consideration of it, of course I shall express my views about the matter at the present time.

Mr. CURTIS. I understood that the motion had already gone over.

Mr. KING. I was not aware that the motion had gone over, or I should not have submitted the interrogation which I did.

The PRESIDENT pro tempore. The Chair has made no ruling on the matter as yet.

Mr. ROBINSON. Mr. President, the Senator from Wisconsin [Mr. LENROOT] invoking the rule that a motion of this character should go over, made the point—

The PRESIDENT pro tempore. There are two thoughts in the mind of the Chair. In the first place the motion is not debatable until 2 o'clock; in the second place the motion must go over one day under Rule XXVI.

Mr. ROBINSON. The motion was made, and had any Senator chosen to exercise his right to object to the consideration of the motion at the time the motion was made there could have been no debate. But the Senator from Wisconsin invited the junior Senator from Arkansas [Mr. CARAWAY], making the motion, to state his reasons for it. No objection was made; and the debate proceeded until the Senator from Wisconsin concluded his remarks, at which time he invoked the rule, which carries the motion over until to-morrow. If the Chair did not technically rule upon it, he should have done so, with all due deference to the Chair. It is conceded that the motion goes over.

The PRESIDENT pro tempore. Under the rule, the motion will go over.

Mr. CURTIS. I ask that we proceed with the calendar.

Mr. CARAWAY. May I say just one word?

Mr. CURTIS. I yield to the Senator from Arkansas.

Mr. CARAWAY. I wanted to say that every member of the committee knows I do not wish to reflect on any of the committees. Some Senators seem to be of the impression that if the motion I made should prevail the committee could not go forward with its investigation. In that, of course, they are in error. It would not affect the jurisdiction of the committee at all. It would not settle any question except the question whether this lease was illegally and corruptly made.



I have very great respect for the committee; and while comparisons are said to be odious, I hope I may be pardoned in saying that I have consulted frequently with the Senator from Montana [Mr. WALSH], and both to him and to others have commended him for the wonderful work he has done on the committee.

I know people may differ about the question whether we should cancel the lease by legislative act or whether we should instruct the President to proceed through the courts to do it. I take it that is the only difference between any member of the committee and myself.

I have said to the Senator from Montana, and I have said to other Members of the Senate, that I am fully conscious that the initiative, by reason of the splendid work he has done, lies with the Senator from Montana, and I am always willing to yield to him in this matter and do it as cheerfully as any Member of the Senate, and the Senator from Montana is aware of that fact. Therefore I take it that it is vain for any Senator to avoid expressing his opinion upon this matter by saying that it is a reflection on the committee, because I know the committee understands that it is not.

I will say, in conclusion, that I have a very high regard for every member of the committee.

Mr. WALSH of Montana. Mr. President, perhaps a brief statement from me at this time is expected, and without going into the matter at length, I should like to take the opportunity, with the consent of the Senate, to express my views about it.

The motion which is presented to the Senate reads as follows:

To discharge the Committee on Public Lands and Surveys from the further consideration of Senate Joint Resolution 54.

An opinion has prevailed in some quarters that it was the purpose of the Senator presenting the resolution to discharge the committee investigating the leases of the naval oil reserves under the resolution introduced at the last session of the Congress by the Senator from Wisconsin [Mr. LA FOLLETTE], but that is not the purpose of the resolution at all and not the effect of it. It in no wise affects the action of the committee under that resolution. It is simply to discharge the committee from the consideration of the resolution which was referred to it a few days ago, introduced by the Senator from Arkansas [Mr. CARAWAY], declaring that the leases referred to are null and are canceled.

I have not the slightest objection to the committee being discharged from further consideration of that resolution. If the resolution then should come before the Senate for consideration, I should express about it the views which I shall briefly state now.

Through some three or four months of laborious and, I may say, painstaking investigation the facts concerning the execution of these leases have been developed. They reveal what to my mind is an astonishing not to say an alarming condition of affairs. They were developed without any considerable attention from the general public long before they were revealed by the sensational features which have now enchain attention upon the subject. They disclosed to my mind that our great reserves, set aside away back in 1909, although formally certified as naval reserves later, and cared for by three successive Presidents of the United States, Presidents Roosevelt, Taft, and Wilson, against the efforts upon the part of private parties to appropriate the lands, to prevent them from falling into private hands, to prevent their exploitation by private interests and in the interest of private parties instead of preserving them for the public, are utterly gone.

I shall not detain the Senate now to make the computation, but at the best the Navy gets but 6 per cent of the oil contained in those reserves for actual use in the carrying on of its work. Those leases, out of which each of the parties who secured them has stated before the committee that they expect to make \$100,000,000, were let, as stated, without any competitive bidding, the utmost secrecy being preserved with reference to the execution of both of them.

During the course of the testimony I have repeatedly taken the position that, without any regard whatever to the evidence which would indicate that there was some corruption or fraud—indeed, I may say, that points with almost unerring accuracy to fraud and corruption in the execution of at least one of the leases—without any regard for that whatever, I have repeatedly asserted before the committee that, in my opinion, the leases are utterly void for want of power or by reason of the exercise of undelegated power on the part of officers of the Government who purported to execute the leases. I am sure that some steps ought to be taken to recover the property for the Government of the United States, and ought to be taken

promptly. There is a question only as to how we ought to proceed in the matter.

I want to acknowledge here what I consider to be the great public service rendered by the Senator from Arkansas [Mr. CARAWAY] in the impressive speech he delivered in this body upon this subject about a week ago. He has challenged the attention of the country to the remarkable facts to which I have here adverted. I have struggled hard to bring my mind to concurrence with his in respect to this method of procedure. I have been unable to do so. After the most profound reflection I can not believe that the case presents a matter for legislative action at all, except as I shall indicate.

It addresses itself to me as a judicial question purely. Either the leases are valid or they are void. I think everybody will concede that that is a question for the courts to determine, that it is impossible for Congress to say. At the same time I believe that it would be wise for the Congress to act in some way declaring its disapproval of these actions and of its desire to have the properties recovered for the Government of the United States, if that end can be obtained, and I had hoped that I might be able to give my approval to the plan proposed by the resolution offered by the Senator from Arkansas [Mr. CARAWAY].

Mr. CARAWAY. Mr. President, will the Senator yield?

Mr. WALSH of Montana. Will the Senator pardon me for a moment or two?

I had even thought of legislation frequently enacted by Congress declaring forfeiture of land grants to railroad companies and to States for public improvements. Congress has frequently declared a forfeiture of such lands, and thus reasserted its title to them. It seemed to me, upon first consideration, that we might use legislation of that character as a precedent for such action as is proposed by the Senator from Arkansas; but, upon further consideration, I have not been able to bring myself to believe that the case is a similar one. In that case it becomes necessary for the Government to declare that in some wise it elects to have a forfeiture, and in accordance with the general principle, in order to grant powers upon conditions subsequent, the grantor, if he desires to rely upon the condition, must advise the grantee that he desires to do so; and the act of Congress in those cases is regarded as simply an assertion upon the part of the Government that it elects to take advantage of the right it has to declare a forfeiture consequent upon the breach of the conditions subsequent. So I have not been able to satisfy myself that legislation of that character affords a precedent for legislation of this character, which does not relate to a condition subsequent, but relates to the validity of the original contracts themselves.

My own view about the matter is that all the Congress can do in the premises is to authorize and direct the President of the United States to institute the proper suit to annul and cancel the leases, and, as suggested by the Senator from Arkansas, to secure an accounting for all oil taken from the property.

I believe, however, Mr. President, that if a resolution of that character is adopted it ought not to be adopted until the report of the committee is made. I shall ask the committee—I do not know how they will act, but I dare say they will concur in the request—to report a resolution of that character, and when it is reported I shall ask that the President be authorized and directed to employ special counsel to prosecute the litigation entirely independent and without any control over it by the Department of Justice or the Attorney General, and that for abundant reasons, as it seems to me.

In the first place, there is a widespread suspicion throughout the country directed against the Attorney General. Whether that is his fault or his misfortune, I do not undertake to say. It is immaterial here. But aside from that, these two gentlemen, the present Attorney General and the late Secretary of the Interior, have long been associated politically and as intimate members of the President's family, an intimacy which has grown up between them that would make the action of the Department of Justice in this matter, if unfortunately the result should be unfavorable to the Government, subject to general criticism. It seems to me the Attorney General would welcome an opportunity to be relieved of the conduct of such litigation.

But in addition to that there are further reasons. There are some features of the matter which have come before the Department of Justice in connection with which the Attorney General himself is under some degree of suspicion and criticism. Whether that is well founded or ill founded, I do not undertake to say. It relates to a feature of the controversy

which has been the subject of rather protracted inquiry by the committee, the details of which I shall be glad to present to the Senate at the proper time.

I shall be glad to yield now to the Senator from Arkansas.

Mr. CARAWAY. The Senator from Montana has covered the very ground about which I was going to ask him, and that was with reference to the procedure he would suggest. Therefore I have no question to propound.

Mr. WALSH of Montana. Mr. President, this is all that I feel compelled to say at this time. I shall not go into the details of the matter further than to say that, in my opinion, entirely aside from the imputations of fraud in the transaction, the leases were executed without any power, indeed by, as I conceive it, the grossest usurpation of power. As has been intimated, the contract contemplates the construction of public works, which, if carried on to the completion of the program now outlined by the Navy Department, will involve an expenditure of \$102,000,000, without any authorization whatever from the Congress of the United States, without any appropriation by the Congress of the United States, the expenditure to be made by the parties who have these contracts or these leases, the amount to be reimbursed to them by royalty oil emanating from the leases.

The testimony discloses that it takes about 2 barrels of oil to pay for 1 barrel of construction; that is to say, if tanks are constructed adequate to carry 100,000 barrels of oil, it would take 200,000 barrels of oil with which to pay for that construction. So it will be observed at once that the Government gets in actual oil in the tank only one-third of the royalty oil which it gets out of the ground, and that royalty oil up to the present time has not exceeded 16 or 17 per cent. Therefore one-third of that, or from 5 to 6 per cent of the oil in the ground, is all that the Government will get.

Furthermore, although the Navy was not able to tell us just how much oil would thus be available for the use of the Navy in the tanks, it has determined that at least 47,000,000 barrels of oil are necessary as a reserve fund, and under this system, and sad as it is, it is not to be hoped and not to be expected that there will be available to exceed 20,000,000 barrels. These are matters of policy that, perhaps, need not be considered now. I hope that when the matter comes up the Senator from Arkansas will be persuaded to defer action until the committee shall be able to report; and I have no doubt that it will cover the matter which he has in mind in as effective way as it is possible to reach it.

#### HOUSE BILLS REFERRED.

The following bills were each read twice by title and referred as indicated below:

H. R. 185. An act providing for a per capita payment of \$100 to each enrolled member of the Chippewa Tribe of Minnesota from the funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

H. R. 3198. An act to authorize the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Eufaula, Ala., connecting Barbour County, Ala., and Quitman County, Ga.; to the Committee on Commerce.

#### RELIEF OF AGRICULTURAL SITUATION IN NORTHWEST (H. DOC. NO. 167).

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, referred to the Committee on Agriculture and Forestry, and ordered to be printed:

*To the Congress of the United States:*

The economic situation in certain wheat-growing sections of the Northwest is reaching an acute stage that requires organized cooperation on the part of the Federal Government and the local institutions of that territory for its solution. In my message of December 6, 1923, I stated:

The distress is most acute among those wholly dependent upon one crop. Wheat acreage was greatly expanded and has not yet been sufficiently reduced. A large amount is raised for export, which has to meet the competition in the world market of large amounts raised on land much cheaper and much more productive.

Diversification is necessary. Those farmers who raise their living on their land are not greatly in distress. Such loans as are wisely needed to assist buying stock and other materials to start in this direction should be financed through a Government agency as a temporary and emergency expedient.

Great numbers of individual farmers are so involved in debt both on mortgages and to merchants and banks that they are unable to preserve the equity of their properties. They

are unable to undertake the diversification of farming that is fundamentally necessary for sound agricultural reconstruction of the area. They are unable to meet their obligations and thereby have been involved the entire mercantile and banking fabric of these regions.

Not only have there been large numbers of foreclosures on actual farms, but there are great numbers of farmers who are continuing in possession on sufferance from their creditors. There have been large and increasing bank failures. Bills have been introduced providing for the lending by the Federal Government of moneys directly to the farmers for purposes of assisting them in conversion of their farms on the basis of diversified farming. I am heartily in favor of these bills, but they do not and will not compass the entire problem.

Many of the farmers are, however, in such jeopardy from their creditors that even with this assistance there is no assurance that they would have a sufficient period in which to work out the necessary conversion of their methods, and it would be useless to give to this group such governmental assistance if it is to be only for purposes of immediate seizure by the creditors.

Such legislation, therefore, will be of little avail unless arrangements have been effected between the farmer and his creditors, by the funding of past-due indebtedness and interest or by similar means, so that the loans will inure to the benefit of the farmer himself instead of merely to the benefit of his creditors. If such arrangements can be made the farmer can be given the opportunity to work his way out of his present difficulties. If they are not made, it is difficult to see how he can benefit from the plan.

In addition to legislation of this character, coupled with the agreements which I have mentioned looking to the refunding of past-due indebtedness, it is necessary to consider whether any steps can be taken to bring financial help to certain limited areas of the Northwest in which embarrassments and failures among country banks have added to the hardships of the farmers. The War Finance Corporation is still functioning, but its authority to make new loans expires March 31 of this year. I recommend that the Congress extend until December 31, 1924, the time during which loans can be made by the corporation, and grant some extension of the period for which loans heretofore made can be removed.

It appears to me that it is essential that the large business concerns such as transportation, the more stable banks, not only in this territory but in adjoining States, who necessarily benefit from the prosperity of these areas, should in their own interest extend a very large measure of aid in remedy of this situation, and that creditors even further afield, such as our insurance companies and others, should cooperate fully.

In those agricultural sections in which numerous bank failures have contributed to the distressful conditions, it must be recognized, however, that there is a distinct limit to the scope of the assistance which the Federal Government can render. Government agencies can not properly make loans upon insecure collateral, or to banking institutions whose capital is impaired. In certain sections a more drastic remedy may be necessary. It may be necessary, on a well-organized and extensive scale, to provide systematically for the restoration or strengthening of the capital resources of the country banks and financing institutions necessary to the proper service of the farmer. It may be found to be advisable to create new financing institutions, such as have been organized with great success in the livestock territories, to cooperate with the War Finance Corporation. The Government can not supply banking capital nor can it organize loan companies, but it can properly call upon those large business concerns, the railroads, the mercantile establishments, the agricultural supply houses, and all those large business establishments whose welfare is immediately connected with the welfare of the farmer. It can ask them, in their own interest as well as in the interest of the country, to cooperate with Federal agencies in attacking the problem in a large way. I have therefore directed the Secretaries of Commerce and Agriculture and the Managing Director of the War Finance Corporation to confer with representatives of the interested groups, to devise a practical plan of action.

The refunding of the pressing past-due indebtedness of the farmer in the territories most seriously affected; financial assistance through a Federal agency to enable wheat farmers to make the change from a single-crop system to diversified farming; the restoration, wherever it would be helpful, of the impaired capital of banking institutions in the distressed sections and the creation by private capital of a substantial financing corporation to assist in the plan of reorganization; the extension of the time during which the War Finance Corporation



can make loans—these are the measures which I propose. They are measures by which, without undue alarm or agitation, but nevertheless promptly and effectively, we can bring to bear on a serious though happily a localized emergency every resource of the Federal Government and all the assistance which the business and farming community can render.

CALVIN COOLIDGE.

THE WHITE HOUSE, January 23, 1924.

Mr. BROOKHART. Mr. President, I can not let this remarkable message of the President pass without one word.

Six months ago I wired the President that this condition existed, and requested him to call an extra session of Congress to meet it. He has been more than six months in finding out the terrible condition of agriculture in the United States; and now he sends in a message on the subject after the farmers have been foreclosed, and after most of their crops have been taken away from them by the speculators or by their creditors, and when but little relief can be given to the farmers.

I think it is important that we begin now, and make farm legislation the important thing for this session of Congress. If we delay again until toward the end of the session, and do not listen to this warning, we shall be in the same condition again. Then, when the call comes, nothing can be done, and it will not be worth while to call an extra session of Congress.

Mr. CURTIS. Mr. President, if the committee will report out some measures, the Senate will be very glad to take them up for consideration. All we want is the reports to act upon.

Mr. BROOKHART. Mr. President, at the last session of Congress the committee did report out a bill that would have taken care of this situation, and it was opposed by the Senator from Kansas and by almost all of the others who failed to see the situation of the farmers in the United States. There has been some change since then, and perhaps when the committee reports a bill—which it will soon do—it will receive something like fair consideration; but this condition, of which I know the President was warned more than six months ago, now comes before the Senate with emphasis from the President for the first time.

Mr. CURTIS. Mr. President, I do not think the Senator is justified in saying that I opposed any bill in the interest of the farmers at the last session.

Mr. BROOKHART. How about the Norris bill?

Mr. CURTIS. I was not favorable to certain provisions of the Norris bill as reported by the committee, and did not vote for it, and I would not vote for it now if reported with the same provisions; and members of the committee told me at the time that they were not for it themselves, and that it ought not to pass with those provisions.

Mr. BROOKHART. After reporting it?

Mr. CURTIS. After reporting it; and that is what astonished me.

Mr. BROOKHART. I am quite aware that the farmers have been represented too often in that way, by Senators voting on occasions to favor them, and then when it came to a show-down whispering that they were against the measures.

Mr. CURTIS. So far as I am concerned, I have been for all legislation that I believed would be for the interest of the farmer, and I shall continue to be. I represent one of the greatest farming States in the Union, and during the whole time I have been in Congress, thirty-odd years, I have supported their measures, and I shall continue to do so; but I want bills to come in that have the support of the members of the committees that report them and not with provisions that members will come around and say should not be enacted.

Mr. BROOKHART. I do not care what the members of the committee say to me about the farmer bills; I am going to figure them out for myself and support them. If they are playing one way in their votes in the committee and another way in whispered talk in the Senate, they will get no sympathy from me.

Mr. CURTIS. I do not blame the Senator; but the point is that if you are yourself undecided about a provision of a bill, and then members of the committee agree with you, and say that it is not right, I think you ought to insist upon opposing that item or having it amended.

Mr. BROOKHART. I think the members ought to say that on the floor of the Senate and not whisper it around.

Mr. CURTIS. I agree with the Senator on that point.

#### REDUCTION OF TAXES.

Mr. McKELLAR. Mr. President, I desire to give notice at this time that to-morrow, immediately after the conclusion of the morning business, I shall submit to the Senate a few remarks on taxes.

#### THE CALENDAR.

Mr. CURTIS. Mr. President, I ask unanimous consent to proceed with the calendar under Rule VIII.

The PRESIDENT pro tempore. The Senator from Kansas asks unanimous consent that the Senate now take up the calendar under Rule VIII. Is there objection? The Chair hears none.

Mr. DIAL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Edwards	Lodge	Shortridge
Ashurst	Ernst	McKellar	Simmons
Ball	Fernald	McNary	Smith
Bayard	Ferris	Mayfield	Smoot
Borah	Fess	Neely	Spencer
Brandegee	Fletcher	Norbeck	Stephens
Brookhart	Frazier	Norris	Swanson
Broussard	George	Oddie	Trammell
Bruce	Greene	Overman	Wadsworth
Cameron	Harris	Owen	Walsh, Mass.
Capper	Harrison	Pepper	Walsh, Mont.
Caraway	Heflin	Pittman	Warren
Copeland	Howell	Ralston	Watson
Couzens	Johnson, Calif.	Ransdell	Weller
Cummins	Johnson, Minn.	Reed, Pa.	Wheeler
Curtis	Jones, Wash.	Robinson	Willis
Dial	Ladd	Sheppard	
Dill	La Follette	Shields	
Edge	Lenroot	Shipstead	

The PRESIDING OFFICER (Mr. Edge in the chair). Seventy-three Senators having answered to their names, there is a quorum present. The Secretary will state the first bill on the calendar.

The bill (S. 987) to extend the time for the completion of the municipal bridge, approaches, and extensions or additions thereto, by the city of St. Louis within the States of Illinois and Missouri, was announced as first in order on the calendar.

Mr. CURTIS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 665) to amend section 13, chapter 431, of an act approved June 25, 1910 (36 Stat. L. p. 855), so as to authorize the Secretary of the Interior to issue trust and final patents on lands withdrawn or classified as power or reservoir sites, with a reservation of the right of the United States or its permittees to enter upon and use any part of such land for reservoir or power-site purposes, was announced as next in order.

Mr. CURTIS. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 56) for the allowance of certain claims for indemnity for spoliation by the French prior to July 31, 1801, as reported by the Court of Claims, was announced as next in order.

Mr. CURTIS and Mr. ROBINSON. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

#### FORE RIVER SHIPBUILDING CO.

The bill (S. 1769) to carry out the findings of the Court of Claims in the case of the Fore River Shipbuilding Co. was considered as in Committee of the Whole, and was read, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, the sum of \$106,521.12 to the Fore River Shipbuilding Co., successor of the Fore River Engine Co. and the Fore River Ship & Engine Co., being the difference between the actual cost of the construction of two torpedo-boat destroyers and the amount paid under the contract entered into for the building of the said boats, as found by the Court of Claims and reported in Senate Document No. 170, Sixty-sixth Congress, second session.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

#### FAMILY OF LIEUT. HENRY N. FALLON, RETIRED.

The bill (S. 946) for the relief of the family of Lieut. Henry N. Fallon, retired, was considered as in Committee of the Whole, and was read, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury is authorized and directed to pay to the family of Lieut. Henry N. Fallon, United States Navy, retired, out of any money in the Treasury not otherwise appropriated, the sum of \$1,500 in full satisfaction of all claims for expenses incurred by them or under their direction in the locating and caring for Lieut. Henry N. Fallon after his escape from St. Elizabeths Hospital, District of Columbia.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

#### CLAIM OF CITY OF NEW YORK.

The bill (S. 1035) for the relief of the city of New York was considered as in Committee of the Whole, and was read as follows:

*Be it enacted, etc.,* That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and audit the claim of the city of New York for expenses incurred by said city in aiding to suppress the insurrection against the United States during the years 1861 to 1865, and in making said audit the provision of the act of Congress of July 27, 1861 (12 Stat. L. p. 276), as interpreted and applied by the Supreme Court of the United States in the case of the State of New York v. The United States, decided January 6, 1896 (160 U. S. Repts. p. 598), shall be applied by the said Comptroller General and report the amount so ascertained to Congress for consideration.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

#### RIGHT OF REPRESENTATION AT SENATE COMMITTEE HEARINGS.

The resolution (S. Res. 118) providing that any person or agency investigated by any Senate committee shall have the right to be present in person and by attorneys and to present evidence in their own behalf was announced as next in order.

Mr. ROBINSON. Let that go over.

The PRESIDING OFFICER. The resolution will be passed over.

#### NEW JERSEY SHIPBUILDING & DREDGING CO.

The bill (S. 1572) for the relief of the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J., was announced as next in order.

Mr. DIAL. Let that go over.

Mr. WADSWORTH. I hope the Senator from South Carolina will withhold his objection until I can make some explanation of the bill.

Mr. DIAL. I withhold the objection.

Mr. WADSWORTH. This bill was reached on the calendar the last time the Senate had the calendar under consideration. On the request of the Senator from Utah [Mr. KING] it went over for one day in order that he might give consideration to the proposal of referring matters of this sort to the Court of Claims, and the understanding I then had with the Senator from Utah was that he would have no objection to the consideration of the bill to-day.

On September 1, 1921, the U. S. S. *Lykens*, a vessel of the Navy, while steaming through Hell Gate, in the harbor of New York, collided with a drill barge belonging to the New Jersey Shipbuilding & Dredging Co. The barge was anchored at the point where it was struck, working for the War Department, removing obstructions from the Hell Gate Channel.

Mr. DIAL. Let me ask the Senator if the best disposition of this claim would not be to refer it to the Court of Claims?

Mr. WADSWORTH. That was the suggestion made by the Senator from Utah the other day. I do not think so. It would mean merely a duplication of effort. All the facts have been passed upon in the greatest detail, and the liability of the Government is admitted. The Navy Department so certifies, and that opinion of the Navy Department is contained in the report of the committee. The Court of Claims could not come to any other conclusion. Expert nautical evidence has been given as to where the blame lay for the collision. All the Court of Claims could do would be to summon the same persons, and get exactly the same testimony from them as to the liability for the accident and the loss which was inflicted upon the owner of the barge.

Mr. DIAL. If the Senator wants to proceed, I have no objection, but the consideration of the bill will take some time, because I have some remarks to make in opposition to the claim. Reserving my right to object, the Senator may proceed.

Mr. WADSWORTH. The naval vessel *Lykens* sank this barge. The evidence shows that the barge was anchored at a point in the Hell Gate channel approved by the Federal authorities; that all steamship pilots and naval vessels belonging to the Government, and, in fact, all water-borne commerce, had ample notification that the barge was there at work; in fact, the barge had been there for many weeks. There was ample room on either side of the barge for the passage of vessels going through Hell Gate channel in either direction.

The report of a board of naval officers, which was immediately convened by the Navy Department to investigate the matter, states very clearly that the navigation of the naval vessel was conducted in a manner to involve unnecessary risk. The commander of the naval vessel executed a turn at the very point where he should not have attempted to make such a turn in view of the very strong currents existing in Hell Gate, with the result that he crashed into this barge and sank it. The barge sank in 20 minutes, was a total loss, and 43 days were expended in getting the wreckage out of the way and in resuming this river and harbor work, which was being done under contract, under the supervision of the Army engineers.

The board of naval officers appointed by the Navy Department to look into the matter secured evidence from the board of Army engineers in charge of the work, in an endeavor to ascertain what the damages amounted to. They certified finally, after an exhaustive investigation, that the company had suffered damage of \$205,028.28, and they have so reported to the Committee on Claims, the Navy Department accepting full blame for the disaster.

The Committee on Claims, however, noting that \$53,750 of the \$205,000 was to cover the amount of money which the barge would have earned for the contractor, in accordance with the terms of the contract, during the 43-day period when all work was stopped as the result of the sinking of the barge, and believing that prospective earnings should not be included in a claim of this sort, has reported the bill amended, so that instead of the sum of \$205,028.28, the amount recommended is \$152,278.28, the actual value of the drill barge and the machinery on her, and the effects of her crew, all of which were lost.

The Government was entirely to blame. The property of a citizen was destroyed by the negligent action of servants of the Government. There can be no doubt whatsoever as to the justice of this claim. If it is to be sent to the Court of Claims, I venture to say—in fact, I am certain—that exactly the same state of facts will be reported.

Mr. HARRIS. In reading the report, I do not see any mention of the question of insurance, and I want to ask the Senator from New York whether that matter was investigated and whether there was any insurance on the barge. Of course, the Government should not be liable if the insurance companies paid for the damage to this boat. There is nothing in the report to show whether there was any insurance on it or not.

Mr. WADSWORTH. I do not know as to that.

Mr. HARRIS. It seems to me it is important we find that out. If the company was insured and will get paid by the insurance companies, we certainly would not want the Government to pay also.

Mr. WADSWORTH. I suppose the barge was insured. It is the custom of business concerns possessed of valuable property and machinery to insure it.

Mr. HARRIS. That is the reason I asked the question.

Mr. WADSWORTH. If it was insured, I imagine there is no doubt but that the insurance company protects itself in a transaction of this sort, and that the insurance company would see to it that the New Jersey Shipbuilding & Dredging Co. would not be paid twice.

Mr. HARRIS. I am sure the insurance company will protect itself, and I am just trying to get the Government protected, so that the Government will not pay the claim if the insurance company is liable; and most of these people carry insurance.

Mr. BAYARD. I will state to the Senator from Georgia on that very point that the counsel for the shipbuilding company who presented this claim before the Committee on Claims went into that matter very thoroughly. The Government is fully protected. Whatever is paid, the Government will lose nothing. If amounts are paid, they will be credited on account, and there is no overpayment as far as the insurance company is concerned.

Mr. WADSWORTH. I thank the Senator from Delaware.

Mr. DIAL. Did I understand the Senator from Delaware to say that the Government would lose nothing if it pays this amount, that if it pays this claim, it will recover from the insurance company?

Mr. BAYARD. Up to date, I think, the insurance company has paid about \$80,000 on account. Account is being kept all through, and if the Government pays the claim the insurance company will be repaid whatever is obtained from the Government up to the amount for which it is responsible.

Mr. DIAL. Mr. President, I want to speak of this claim, and of all claims generally. I enter my protest against this method of passing on claims. It is extremely embarrassing for



me to rise and oppose a claim presented by any Senator. I claim for myself the friendship of every Senator on the floor; but if Senators will excuse me for referring to myself, I practiced law for some 30 years. I represented corporations part of that time, and part of the time I brought suits against corporations.

From my long experience, I am well aware of the fallacy of trying cases by listening to one side only, or principally to one side. I have seen statements of plaintiffs from which it would appear certain that they should recover; that there was no defense to the claims, no way of getting around paying them. Yet, when we had an opportunity to cross-examine the plaintiffs or bring up witnesses on the other side, we would show that the defendants were not legally liable. Often we would show that a plaintiff brought on the injury himself. Many defenses of that kind would be presented which would mean the complete exculpation of the defendant.

I feel that cases in tort should be referred to some court. I have the highest regard for every member of the Committee on Claims, but it is asking too much of a committee of Senators to expect them to sit down and act as petit jurors in little damage cases. We are sent here to represent the interests of the people of this country, to legislate, to watch legislation, to try to promote the welfare of all the people of this country, and we should not be expected to act as jurors in trial justice courts.

I have great faith in the courts of our country, and if any American citizen has any right denied him, I am perfectly willing for him to go to the court, the legally constituted authority for passing on such matters. Of course, I know well one can not sue the Government without the Government's consent, but I am willing to grant the consent of the Government so that any citizen may have his day in court.

Mr. WADSWORTH. Mr. President, will the Senator yield at that point?

Mr. DIAL. Certainly.

Mr. WADSWORTH. My question has nothing to do with this particular bill, but if the theory of the Senator is put into practice, does he not realize that very often the injured person will not be able to afford to go to court?

Mr. DIAL. I do not think so. I think if he has a good case, he can get some lawyer to take it. I do not much favor contingent fees, but the taking of contingent fees is practiced in the country, and if a man has a just claim he can get to court with it.

Mr. WADSWORTH. The Senator is more optimistic about his profession than I am; but I am not a member of it.

Mr. DIAL. The Senator would be more optimistic if he were a member of the legal profession. I have a very high regard for the legal profession, Mr. President.

I am serious about this matter. If we did not look into these cases we would not be doing our duty. It is too much to be expected of us. We can not do it and properly attend to our correspondence and our duties on the floor of the Senate, and to the requirements made of us, attending to the different departments and looking into matters that are of importance to our constituents. It does seem to me that with the ability Senators of the United States have, we ought to be able to devise a general bill creating some court, if the courts in existence now are not adequate, to meet the demands of the people, where this kind of cases could be disposed of. I throw out this suggestion to the distinguished members of the Committee on Claims for their consideration, and I hope they can arrive at some conclusion.

Mr. BAYARD. I would like to state to the Senator from South Carolina that for many years past cases have been referred by resolution, or by joint action of the two bodies of Congress, to the Court of Claims, with the result that findings have been had upon facts determined, and reports made back to either the House or the Senate, as the case may be; but there are millions of dollars in the Federal Treasury to-day which should be used to pay those claims which are not being paid because Congress, in spite of the fact that the Court of Claims, established for the purpose of determining the actuality of those claims, has passed upon them, will not pay those moneys out when the bills come to these bodies.

Mr. DIAL. We should be more amenable to the decisions of the court. If a man has his day in court, and establishes his claim, Congress ought to pay it or ought to adjust it.

Take this particular claim in question. A few experts are brought here and the committee presents its opinion, but I have noticed, particularly at this session, that in a large number of cases the committee ignores the recommendations of the department. It seems they almost universally find

against the recommendations of officials and employees of the Government. I for one like to have respect for and confidence in my employees. If I had a man under me for whom I had no respect, and in whose judgment or ability I had no confidence, I would let him go and put some one else in his place.

To show the fallacy of a committee passing on a claim of this magnitude, not having the witnesses before them to examine them, one engineer stated that this ship was worth from \$150,000 to \$250,000. If we had him before us to cross-examine him, we would make him be a little bit more definite.

Mr. WADSWORTH. I know the Senator means to be accurate. That was the testimony of two different men, not one.

Mr. DIAL. I beg the Senator's pardon; it was that of two or three men. I do not wish to misquote the testimony. It is said at one place in the report:

Two inspectors representing the engineers' office in New York, who are constantly employed on the work, fixed the value of the drill boat—one at \$150,000 and the other at \$250,000.

Mr. BAYARD. I will state to the Senator that there was brought out before the committee the further fact that the Government has since built a boat almost the exact replica of the boat destroyed, and it has cost the Government, I think, a half million dollars.

Mr. DIAL. I am not much surprised at what anything costs the Government, with the present high prices of labor and material. Last summer it was my misfortune to have to pay a little dinky \$12.50 a day to lay a few bricks for me. That is half as much as my good friend from Delaware gets for representing his State in the Senate. If material and the expenses of building go on up, we will have to stop building in this country, it seems to me. At the present time we are not able to build homes in which to live. I noticed an article in the paper to-day stating that some folks were even living in tents because they could not get houses to live in.

If the captain of this ship, or the man who was navigating it—I do not know whether you dignify him with the title of captain or not—was to blame, there ought to be some way for the Government in the future to protect itself by taking a bond, if we get men to run ships who are going to destroy Government property through carelessness. Besides that, the report authorizes the payment of \$152,278.28, when the claimant's own witnesses fix the value at \$150,000.

So, Mr. President, to my mind these cases ought to be referred to the Court of Claims. The only way I know of to test the sense of the Senate is to make a motion to that effect.

This claim was before us last year. Hereafter, in order to find out the pleasure of the Senate I shall make a motion to refer claims, unliquidated claims in tort particularly, to the Court of Claims. Personally I have no objection to referring them to the district court in the district where any injury occurs, to let them try the question; but I am opposed to taking up my time and the time of other Senators here acting as jurors. It should not be expected of us. We are not prepared to try such cases, and it would take all of our time to try cases that are presented here.

I notice that many of them are old, and if they had any merit in them it seems to me they certainly would have been paid a long time ago. The practice of ignoring the Government officers and the recommendation of the heads of departments it seems to me is setting a very bad precedent, indeed, and encouraging people to come to Congress to ask favors of their particular representatives. I am opposed to that method. However, I withdraw my objection.

There being no objection, the bill was considered as in Committee of the Whole.

Mr. DIAL. I move to amend the bill by striking out "\$152,278.28" and inserting "\$125,000."

Mr. WADSWORTH. Has the committee amendment been adopted?

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole, and the question is on agreeing to the committee amendment striking out "\$205,028.28" and inserting "\$152,278.28." The Senator from South Carolina moves an amendment to the amendment of the committee, which will be stated.

The PRINCIPAL LEGISLATIVE CLERK. In line 6 it is proposed to strike out "\$152,278.28" and to insert in lieu thereof "\$125,000."

The amendment to the amendment was rejected.

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$152,278.28 to the New Jersey Shipbuilding & Dredging Co., of Bayonne, N. J., in full settlement to reimburse said owner of drill boat No. 3 for loss sustained as a result of total destruction of said drill boat No. 3 through collision with the U. S. S. *Lykens*, in Hell Gate, off Halletts Point, New York Harbor, on September 1, 1921.

#### HEIRS OF AGNES INGELS, DECEASED.

The bill (S. 1765) for the relief of the heirs of Agnes Ingels, deceased, was announced as next in order.

Mr. DIAL. Let the bill be read.

The bill was read, as follows:

*Be it enacted, etc.,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the heirs of Agnes Ingels, deceased, late of Lexington, Ky., the sum of \$5,000 for injuries occasioned to the said Agnes Ingels while a visitor at Hot Springs, Ark., by the negligent operation of United States Government motor truck No. 25967 while said truck was in the care and custody of and being driven by an enlisted man of the United States Army under the orders of his superior officer, and while the use of such truck was dangerous because of its defective condition, such condition being known to the officer responsible for the maintenance of said truck in operation, the injuries occasioned as aforesaid resulting in the death of said Agnes Ingels.

Mr. DIAL. This is another one of those tort cases which ought to go to the Court of Claims. The Secretary of War reports that—

The two accidents were immediately investigated by the board of officers, which found that the accidents were unavoidable and not due to neglect or carelessness on the part of the driver of the Dodge truck.

Right here, in the face of that report, the committee comes in and recommends that the heirs be paid \$5,000.

Mr. OVERMAN. Are we to understand that the report says the Government was in no fault?

Mr. DIAL. Yes. On page 7 of the report Newton D. Baker, then Secretary of War, says:

The two accidents were immediately investigated by the board of officers, which found that the accidents were unavoidable and not due to neglect or carelessness on the part of the driver of the Dodge truck.

This is another one of those matters which I regret to bring to the attention of the Senate; but I do not want to be partial with my good friend from Arkansas [Mr. ROBINSON], and I felt it my duty to call to the attention of the Senate the report of the Secretary of War.

Mr. ROBINSON. Mr. President, the Senator from South Carolina has correctly read the letter of the Secretary of War, which states that a military board made an examination and found that the driver of the truck which ran over and killed Mrs. Ingels was not negligent. Notwithstanding the finding of the board, the committee, upon the evidence submitted, found the driver of the truck was inexcusably negligent. A statement of the facts in the case will disclose that the committee which reported the bill was correct, that its findings were reliable, and that the finding of the military board was unjustified from any standpoint of evidence or argument.

Let me read to the Senate the statement of facts accompanying the report, which is based upon the testimony of witnesses in the form of affidavits, as follows:

Mrs. Ingels had crossed the street at the point above stated (just north of Mountain Street) and had reached a point about 10 feet from the west curb.

Mr. Abraham Berner, a visitor from New York, was crossing the street at the same time and in the same direction as Mrs. Ingels, and was about the center of the street when a Dodge Government motor truck, driven by Private Law, and proceeding south on said street, struck the said Berner, the left fender of the truck striking him and throwing him to the left side of the truck.

The driver (Law) upon striking the man, jammed on his brakes and turned his car sharply to the right (west) side of the street and was negligently and carelessly looking backward to the scene of the first accident, when the truck ran down Mrs. Ingels, throwing her against the pavement with great force and violence. The truck ran over her dragging her a distance of 15 feet or more before the driver was able to stop the truck. No warning was given by the driver, he having his head turned at the time the truck ran down

Mrs. Ingels. The driver succeeded in stopping the truck at the intersection of Mountain Street and Central Avenue, the truck partially blocking Mountain Street. At the time the said truck struck Mrs. Ingels she was within 10 feet of the curb (west) and 12 to 15 feet south of Mr. Berner when he was run down.

Mrs. Ingels was given first-aid treatment and was then rushed to St. Joseph's Hospital, where she expired at 3.30 the following morning without having regained consciousness.

The Dodge truck herein referred to was in a defective condition, as will appear later, and the proximate cause of the death of Mrs. Ingels was the negligence of Private Law, driver, in turning his head before he had brought his truck to a standstill, and the action of Motor Transport Officer (Lieut.) Coe in ordering the said truck to be used when it was well known to said officer that the truck was defective and its use dangerous on the city streets.

Let me say that the evidence also shows that some one had informed the officer in charge of motor transportation at the hospital that this truck was in the condition which rendered it unfit for use; that it was dangerous to employ the truck; and that, notwithstanding that fact, Law was ordered and required to use it.

In view of the circumstances which I have stated, as clear a case of negligence as was ever submitted to a court supports the report of the committee in this case. The Senate can afford to take any action that it chooses in reference to the matter.

Mr. CAPPER. A similar bill has passed at two previous sessions, in the Sixty-sixth Congress, and also in the Sixty-seventh Congress.

The PRESIDING OFFICER (Mr. Fess in the chair). Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

#### ELY N. SONNENSTRAHL.

The bill (S. 1830) for the relief of the estate of Ely N. Sonnenstrahl, deceased, was announced as next in order.

Mr. OVERMAN. Let that go over, at the request of the Senator from South Carolina [Mr. DIAL].

The PRESIDING OFFICER. The bill will be passed over.

#### OFFICERS IN CHARGE OF PUBLIC BUILDINGS AND GROUNDS IN THE DISTRICT.

The bill (S. 1918) relative to officers in charge of public buildings and grounds in the District of Columbia was announced as next in order.

Mr. GREENE. I ask that the bill may go over.

Mr. FERNALD. Will the Senator allow me to make a brief statement with reference to the bill?

Mr. GREENE. Certainly.

Mr. FERNALD. This is a matter of considerably more than common importance. It was taken up by the Committee on Public Buildings and Grounds at a meeting at which most of the members of the committee were present. The first part of the bill does nothing but change the name of the office of superintendent of public buildings and grounds to director of public buildings and grounds.

When this office was created there were fewer buildings in this city than are here at the present time. The only thing of importance about the bill, so far as I know, is an increase in salary to what the committee felt would be commensurate with the duties of the office. This officer is an executive officer; he has charge of the expenditure of more than \$50,000,000, and has direct charge of over 1,600 employees. The committee felt—and as I have stated it was a very largely attended meeting—that the salary was not commensurate with the office.

Mr. McKELLAR. May I ask what salary the officer now receives?

Mr. FERNALD. His salary is \$7,500, I believe.

Mr. WADSWORTH. He gets the salary of his rank in the Army.

Mr. CURTIS. I ask that the bill may go over.

Mr. FERNALD. Will the Senator permit me to continue my remarks?

Mr. CURTIS. I have no objection to the Senator continuing his remarks, but I shall continue my objection to the consideration of the bill, because I do not think the salary ought to be increased in this way.

Mr. KING. Nor should there be any increase at all.

Mr. GREENE. Will the Senator permit me to offer a suggestion?

Mr. FERNALD. Certainly.



Mr. GREENE. My foundation for objection to the bill is that, inadvertently, probably altogether without any previous thought about it, the committee did not consider that the bill comes under the jurisdiction of the Committee on Military Affairs in the sense that it reestablishes a peculiar and particular office of civil administration under a new title; it appears to provide a new salary for the office; and then provides that an officer of the Regular Army shall administer the office. The Senator, of course, would need no prompting from me to understand that the duties of the officers of the United States Army are supposed to be provided for under military law, and jurisdiction of the field of military law is confined to the Committee on Military Affairs. If we were to permit this bill to go through without question, very soon various other civil agencies would be establishing duties for the officers of the Regular Army, providing their salaries, and detaching them from their military duties without any knowledge on the part of the Committee on Military Affairs or any opportunity to express their judgment about the matter.

Mr. FERNALD. As I understand, the Senator desires the bill to be transferred to the Committee on Military Affairs?

Mr. GREENE. Oh, no.

Mr. FERNALD. I would be very glad to have that done.

Mr. GREENE. I thought it possible, however, that if the bill be postponed in the proposed present consideration, there might be some opportunity for those interested in both phases of the matter to be heard, because there is a civil as well as a military aspect, and perhaps we could get some better understanding of the situation than the bill now suggests.

Mr. McKELLAR. Has the Bureau of the Budget passed on the increase of salary?

Mr. FERNALD. I do not think it has.

Mr. McKELLAR. I thought that all appropriations were passed on first by the Bureau of the Budget.

Mr. FERNALD. I do not think so.

Mr. WADSWORTH. Not statutory salaries.

Mr. FERNALD. This is not a statutory salary.

Mr. WADSWORTH. It is proposed to make it statutory.

Mr. FERNALD. If the Senator will permit me to proceed, as I have all the afternoon, I may as well present a few of the facts as to why the committee felt that this is a very proper bill, and very properly came before the Committee on Public Buildings and Grounds. I am not going to ask for a vote upon it, of course, this afternoon.

Mr. ROBINSON. Will the Senator explain his observation that he has the entire afternoon? These bills are subject to objection at any time.

Mr. FERNALD. I shall not take over five minutes, if the Senator will allow me to proceed.

Mr. ROBINSON. I thought the Senator was assuming he could take the entire afternoon.

Mr. FERNALD. Oh, no.

Mr. JONES of Washington. The Senator could move to take up the bill, and in that way occupy the afternoon.

Mr. FERNALD. I do not intend to do that. Most of the legislation I have brought before the Senate from my committee has been along business lines. I believe this is the first bill in which I have ever suggested that an increase of salary be made. My friend, the junior Senator from Utah [Mr. KING], who objects to the consideration of the bill, knows very well that I have fought side by side with him on all these questions of appropriations and increases of salaries. But I am going to read, if I am allowed to proceed, some of the increased duties of the office since it was created, and some of the duties of the office when it was created. As I said, it will take but a short time, but I want to get the evidence in right now.

Mr. GREENE. Will the Senator from Maine permit another interruption?

Mr. FERNALD. Certainly.

Mr. GREENE. I think the chairman of the Committee on Military Affairs, who is present now, will concede that probably I am not violating the tradition which holds some proceedings of the committee in confidence when I suggest that it was through indirect circumstances that the suggestion of the duties of the engineer officer in charge of public buildings and grounds came up incidentally in discussion in a meeting of the committee a few days ago. It was then thought wise, but no official action was taken, and the suggestion was made that it might be proper to inquire into the details of the present situation of the officer in charge of public buildings and grounds. Exactly the same information which I think the Senator from Maine is about to read to us was laid before us in an unofficial way, and we thought then that there ought to

be some action taken probably so far as concerned the law covering the rank of the officer and the responsibility of the officer in charge of such important duties.

But I think the Senator from Maine can plainly see that if there is to be any increased rank granted to an officer in the Army to administer such highly important functions, and if he is to have an increase of pay because his responsibilities have in recent years become augmented, the jurisdiction for such legislation should be lodged with the committee which governs all activities of all Regular Army officers.

Mr. FERNALD. I quite agree with the Senator, and I should be very glad to have the bill transferred to the Committee on Military Affairs.

Mr. GREENE. That, of course, I am not authorized to respond to.

Mr. FERNALD. If the Senator from New York, chairman of the Committee on Military Affairs, will accept the transfer, I shall be very glad to have it made. In the meantime, I believe it would be quite proper to get such information as may be available in regard to the duties of this office and the manifold duties which have increased in the last few years and have it given to the Senate at this time.

I am addressing the chairman of the Committee on Military Affairs, and I am wondering if he would be willing to accept the transfer of the bill to his committee?

Mr. WADSWORTH. The bill, as I read it, contains features which ordinarily the Committee on Military Affairs never consider; that is, the care of public buildings and grounds in the District of Columbia. The only thing in which the Committee on Military Affairs has an interest is that the bill specifically provides that an Army officer, selected from a certain branch of the service, shall be detailed to the work and then be paid more than any other officer in the Army of the United States with the exception of General Pershing. To that, of course, as one member of the Committee on Military Affairs, I object. We can not establish discriminations in pay as between Army officers so violent as that without ruining discipline and morale.

Mr. McKELLAR. It would absolutely ruin discipline.

Mr. WADSWORTH. You would have half the Army officers trying to be appointed directors of public buildings.

Mr. FERNALD. If a military man is doing the work and service of a civilian, should he not be paid commensurately with the duties of a civilian?

Mr. WADSWORTH. No, Mr. President.

Mr. FERNALD. Should it hinder him from receiving the same salary?

Mr. WADSWORTH. Mr. President, an Army officer should do whatever work he is assigned to at the pay established for his grade. If we once start giving bonuses and additional pay to Army officers for special work, we will tear all to pieces the morale of the Regular Army service.

Mr. FERNALD. It seems to me if we should follow the course advocated by the Senator we would prevent Army officers from accepting a position like this.

Mr. WADSWORTH. An Army officer is doing the work now on the pay of a lieutenant colonel.

Mr. FERNALD. Yes; but how long can we continue to find men who are willing to work for that salary?

Mr. WADSWORTH. We have been doing it ever since the office was created.

Mr. McKELLAR. Most of them like it.

Mr. FERNALD. I think, Mr. President, I shall proceed with some of the duties of the office, the name of which I am trying to change.

First. He is military aid to the President and his personal escort at formal official functions. He is in charge of arrangements for all diplomatic, social, and military functions at the White House. He represents the President in formal courtesies to diplomatic and other foreign officials.

Second. He is in charge of the improvement, maintenance, and operation of the parks of Washington, including the administration of all activities therein, such as recreational features, bathing beach, golf courses, tennis courts, baseball fields, and so on. This involves executive responsibility for all work involved in an expenditure of approximately \$1,000,000 a year.

Third. He is in charge of the maintenance and operation of the public memorials, such as the Lincoln Memorial and the Washington Monument.

Fourth. He is in charge of the maintenance and upkeep of the White House, the Executive offices, and the White House grounds, including disbursement of funds for the White House police force.

Fifth. He is executive officer and in charge of the construction and administration of the details of business for the following commissions:

Arlington Memorial Bridge Commission, Lincoln Memorial Commission, Grant Memorial Commission, the Meade Memorial Commission, the Rock Creek and Potomac Parkway Commission, and the Ericsson Memorial Commission.

Sixth. He is a member and executive officer of the Public Buildings Commission, which is charged with the duty of assignment of all office space to the departments and establishments in Washington. This commission during the last year, by detailed study committed to the officer in charge of public buildings and grounds, has saved over \$100,000 in rentals.

Seventh. He is a member of the Zoning Commission, which is charged with the administration of the laws prescribing the character, use, height, and area of occupancy of all buildings in Washington. The work of this commission is exacting and demands great tact in dealing with questions of the greatest importance to residents of Washington.

Eighth. He is superintendent of the State, War, and Navy Department Buildings, which involves the operation, maintenance, repair, cleaning, and general upkeep of the following public office buildings:

State, War, and Navy Department Building; Interstate Commerce Commission Building; Coast and Geodetic Survey Building; Department of Commerce Building; Civil Service Commission Building; old General Land Office Building; Department of Justice Building; Department of Labor Building; Interior Department Building; Pension Office Building; Patent Office Building; Lemon Building; Temporary No. 1 Building; Temporary No. 2 Building; Temporary No. 3 Building; Temporary No. 4 Building; Temporary No. 5 Building; Temporary No. 6 Building; Temporary No. 7 Building; Walker-Johnson Building; Bureau of Standards Buildings; Navy Building; Munitions Building, 1800 E Street NW.; Mall Building C; Mall Building D; Mall Building E; Mall Building F; Mall Cafeteria Building; Mall Mechanics' Building; Bureau of Fisheries Building; and Mall Administration Building.

These buildings have a floor space of approximately 6,500,000 square feet, and involve the expenditure of approximately \$2,400,000 a year and the direction of 1,600 employees.

The President has also approved a recommendation of the Director of the Bureau of the Budget to turn over all public buildings in Washington for operation and administration to this office on account of the economy which has been shown up to this time.

Those are the duties of the officer whose designation I ask to have changed from "Superintendent of Public Buildings and Grounds" to "Director of Public Buildings," and whose salary I seek to have increased from \$7,500 to \$10,000. In my judgment, we can not find many men who are willing to serve the Government in the capacity of handling the property that is here involved for \$7,500, when it is true, as we know, that men on very many other commissions who do not have half nor a tenth part of the responsibility of this man are receiving \$10,000.

Senators, I should prefer to cut out about 20 per cent of the employees that we have here, and pay the individuals we do have who attend to their duties a reasonable salary commensurate with the service they are rendering the Government.

Mr. McKELLAR. Mr. President, I agree to all that the Senator from Maine has said about Colonel Sherrill. We all know that he is one of the most efficient officers in the Army, and has done excellent work here in the city of Washington and is now doing it; but, as has been said by the Senator from New York [Mr. WADSWORTH], the chairman of the Military Affairs Committee, if we begin to add to the salary of this officer and that officer by congressional enactment because some of us happen to think that he is entitled to a little more, there is not any telling what it will do in the way of disrupting military discipline; and it seems to me we ought to go exceedingly slowly in making any such change.

Mr. GREENE. Mr. President, I only want to supplement what the Senator from Tennessee has said about this matter, because it may possibly help to show a way in which the very thing that the Senator from Maine seeks to accomplish may be brought about in a more logical manner, if he will permit me to say so. If the law now creating the Engineer Corps of the Army is amended so as to establish a post of sufficient rank and pay in the Engineer Corps of the Army the occupant of which may be placed in charge of public buildings and grounds, the very purpose which the Senator from Maine seeks will have been arrived at and will have come about in the natural

order of the natural jurisdiction of the committee having in charge the Regular Army of the United States.

The PRESIDING OFFICER. Objection having been made, the bill will be passed over.

#### EXECUTIVE SESSION.

Mr. LODGE. Mr. President, there are two treaties here which I should like to take up and dispose of in executive session. I think there will be no controversy about them. For that reason I move at this time that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 15 minutes spent in executive session the doors were reopened.

#### MONTHLY COTTON REPORTS.

The PRESIDING OFFICER. The calendar will be proceeded with.

Mr. HARRIS. I ask that the Senate first take from the calendar for consideration Senate bill 2112, introduced by me and reported yesterday from the Committee on Agriculture and Forestry.

The bill (S. 2112) authorizing the Department of Agriculture to issue semimonthly cotton-crop reports, and providing for their publication simultaneously with the ginning reports of the Department of Commerce, was considered as in Committee of the Whole, and was read, as follows:

*Be it enacted, etc.,* That hereafter the Secretary of Agriculture shall discontinue acreage reports based upon farmers' intention to plant cotton and shall cause to be issued between July 1 and December 1 semimonthly reports as to the condition, progress, and probable production of cotton. No such report shall be approved and released by the Secretary of Agriculture until it shall have been passed upon by a cotton crop reporting committee or board consisting of five members or more to be designated by him, not less than three of which shall be supervisory field statisticians of the Department of Agriculture located in different sections of the cotton-growing States, experienced in estimating cotton production and who have first-hand knowledge of the condition of the cotton crop based on recent field observations, and a majority of which committee or board shall be familiar with the methods and practices of producing cotton: *Provided*, That the foregoing reports as of the following dates, August 1, August 16, September 1, September 16, October 1, October 18, November 1, November 14, and December 1, shall be released simultaneously with the cotton-ginning reports of the Bureau of the Census relating to the same dates, the two reports to be issued from the same place at 11 o'clock antemeridian of the eighth day following that to which the respective reports relate. When such date of release falls on Sunday or a legal holiday, the report shall be issued at 11 o'clock antemeridian of the next succeeding workday.

SEC. 2. All laws and parts of laws inconsistent with the provisions of this act are hereby repealed to the extent of such inconsistency.

Mr. HARRIS. Mr. President, this bill calls for the discontinuance of the present cotton-acreage reports issued by the Department of Agriculture, based on the farmers' intention to plant cotton. Reports on the condition, progress, and probable production of cotton are required between July 1 and December 1, but all such reports shall be passed upon by a board of five persons familiar with cotton-growing conditions before the reports are made public by the Secretary of Agriculture. At least three of the board shall be supervisory field statisticians of the Department of Agriculture located in different sections of the cotton-growing States. The reports are to be issued simultaneously with the cotton-ginning reports of the Bureau of the Census.

This bill, as was S. 2113, came as a result of conferences between Senators and Representatives from the cotton-growing States meeting with officials of the Bureau of the Census and Department of Agriculture. Senators and Representatives from the cotton-producing States and department officials all agree on the desirability of this legislation to insure better cotton statistics.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

#### COTTON STATISTICS.

Mr. HARRIS. I ask the Senate now to consider Senate bill 2113.

The bill (S. 2113) to amend the act entitled "An act authorizing the Director of the Census to collect and publish statistics of cotton," approved July 22, 1912, was considered as in Committee of the Whole, and was read, as follows:



*Be it enacted, etc.,* That the Director of the Census be, and he is hereby, authorized and directed to collect and publish statistics concerning the amount of cotton ginned; the quantity of raw cotton consumed in manufacturing establishments of every character; the quantity of baled cotton on hand; the number of active consuming cotton spindles; the number of active spindle hours, and the quantity of cotton imported and exported, with the country of origin and destination.

SEC. 2. That the statistics of the quantity of cotton ginned shall show the quantity ginned from each crop prior to August 1, August 16, September 1, September 16, October 1, October 18, November 1, November 14, December 1, December 13, January 16, and March 1: *Provided*, That the Director of the Census may limit the canvasses of August 1 and August 16 to those sections of the cotton-growing States in which cotton has been ginned. The quantity of cotton consumed in manufacturing establishments, the quantity of baled cotton on hand, the number of active consuming cotton spindles, the number of active spindle hours, and the statistics of cotton imported and exported shall relate to each calendar month and shall be published as soon as possible after the close of the month. Each report published by the Bureau of the Census of the quantity ginned shall carry with it the latest available statistics concerning the quantity of cotton consumed, stocks of baled cotton on hand, the number of cotton-consuming spindles, and the quantity of cotton imported and exported.

All of these publications containing statistics of cotton shall be mailed by the Director of the Census to all cotton ginneries, cotton manufacturers, and cotton warehousemen, and to all daily newspapers throughout the United States. The Director of the Census shall furnish to the Department of Agriculture, immediately prior to the publication of each report of that bureau regarding the cotton crop, the latest available statistics hereinbefore mentioned, and the said Department of Agriculture shall publish the same in connection with each of its reports concerning cotton.

SEC. 3. That the information furnished by any individual establishment under the provisions of this act shall be considered as strictly confidential and shall be used only for the statistical purpose for which it is supplied. Any employee of the Bureau of the Census who, without the written authority of the Director of the Census, shall publish or communicate any information given into his possession by reason of his employment under the provisions of this act shall be guilty of a misdemeanor and shall, upon conviction thereof, be fined not less than \$300 or more than \$1,000 or imprisoned for a period of not exceeding one year, or both so fined and imprisoned, at the discretion of the court.

SEC. 4. That it shall be the duty of every owner, president, treasurer, secretary, director, or other officer or agent of any cotton ginnery, manufacturing establishment, warehouse, or other place where cotton is ginned, manufactured, or stored, whether conducted as a corporation, firm, limited partnership, or by individuals, when requested by the Director of the Census or by any special agent or other employee of the Bureau of the Census acting under the instructions of said director, to furnish completely and correctly, to the best of his knowledge, all of the information concerning the quantity of cotton ginned, consumed, or on hand, and the number of cotton-consuming spindles, and active spindle hours. The request of the Director of the Census for information concerning the quantity of cotton ginned or consumed, stocks of cotton on hand, and number of spindles and spindle hours may be made in writing or by a visiting representative, and if made in writing shall be forwarded by registered mail, and the registry receipt of the Post Office Department shall be accepted as evidence of such demand. Any owner, president, treasurer, secretary, director, or other officer or agent of any cotton ginnery, manufacturing establishment, warehouse, or other place where cotton is ginned or stored, who, under the conditions hereinbefore stated, shall refuse or willfully neglect to furnish any of the information herein provided for or shall willfully give answers that are false shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not less than \$300 or more than \$1,000 or imprisoned for a period of not exceeding one year, or both so fined and imprisoned, at the discretion of the court.

SEC. 5. That in addition to the information regarding cotton in the United States hereinbefore provided for, the Director of the Census shall compile, by correspondence or the use of published reports and documents, any available information concerning the production, consumption, and stocks of cotton in foreign countries, and the number of cotton-consuming spindles in such countries. Each report published by the Bureau of the Census regarding cotton shall contain an abstract of the latest available information obtained under the provisions of this section, and the Director of the Census shall furnish the same to the Department of Agriculture for publication in connection with the reports of that department concerning cotton in the same manner as in the case of statistics relating to the United States.

SEC. 6. That the reports of cotton ginned to the dates as of which the Department of Agriculture is also required to issue cotton crop

reports shall be issued simultaneously with the cotton crop reports of that department, the two reports to be issued from the same place at 11 o'clock antemeridian on the eighth day following that on which the respective reports relate. When such date of release falls on Sunday or a legal holiday the reports shall be issued at 11 o'clock antemeridian on the next succeeding workday.

SEC. 7. That the act of Congress authorizing the Director of the Census to collect and publish statistics of cotton, approved July 22, 1912, and all other laws and parts of laws inconsistent with the provisions of this act are hereby repealed.

Mr. HARRIS. Mr. President, this bill amends the present law authorizing the Director of the Census to collect and publish statistics of cotton ginned and manufactured and cotton on hand, approved July 22, 1912, so as to include the number of active spindle hours as information in the cotton reports. It calls for semimonthly reports from August 1 to January 16 of each year and a report on March 1. It requires the Census Bureau ginning reports to be issued simultaneously with the reports of cotton-crop estimates from the Department of Agriculture, which will help prevent speculators from manipulating the market.

The bill was drafted as a result of conferences between Senators and Representatives from the cotton-growing States meeting with officials of the Bureau of the Census and Department of Agriculture. Measures similar to these were introduced in the Senate by me the last session of Congress and passed this body, but the House leaders would not allow their consideration.

I ask unanimous consent to place in the RECORD a resolution adopted at the annual convention of the American Cotton Association, which met at Columbia, S. C., last year.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

#### COTTON-ACREAGE REPORTS.

Whereas on April 20 the United States Department of Agriculture, through its Crop Reporting Bureau, caused to be compiled and issued a preplanting cotton-acreage report based upon the "intentions" of farmers to plant. The report estimated an increased acreage of 12 per cent over the acreage planted in 1922, forecasting the anticipated planting of the largest acreage in the history of the cotton-growing industry.

When this report on "Intentions" of farmers to plant was published, without previous knowledge to the farmers and cotton trade that such an innovation was to be undertaken by the department, it created an intensely bearish situation in the market and prices quickly decreased about 700 points, or \$35 per bale, entailing heavy losses upon holders of the staple and merchants and manufacturers who had previously bought supplies and stocks of cotton.

On July 1 the Crop Reporting Bureau promulgated its estimate on cotton acreage planted and in cultivation up to June 25, amounting to 38,287,000 acres, or an increase in the acreage of 12½ per cent, practically affirming the April 20 preplanting acreage based upon the "intentions" of farmers to plant. The acreage indicated in these reports is found to be about 1,500,000 acres larger than the estimates of the many private agencies issuing reports on the subject: Therefore be it

*Resolved*, That the delegates attending the annual convention of the American Cotton Association at Columbia, S. C., October 16, 1923, hereby voice and affirm their distinct disapproval of the issuance of reports on cotton acreage or any other crops by the United States Department of Agriculture based upon preplanting "intentions" of farmers to plant. We hereby very earnestly request the United States Secretary of Agriculture to issue an order prohibiting the issuance of such reports by any bureau in his department in the future; be it further

*Resolved*, That we feel that the cotton acreage is a matter of too significant and serious concern to the growers and the cotton trade generally for estimates on acreage planted to be hazarded by guesswork; be it further

*Resolved*, That the Congress of the United States pass such legislation and provide necessary funds to enable the United States Department of Commerce to take a correct and dependable census each year after the cotton crop has been planted, to ascertain the approximate acreage planted on returns to be accurately filled out by every grower who plants cotton in the United States; be it further

*Resolved*, That copies of this resolution be transmitted by the American Cotton Association to the honorable Secretaries of Agriculture and of Commerce, at Washington, D. C., and also to each Senator and Congressman of the cotton States, urging their consideration and cooperation to the ends sought.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

## DE KIMPKE CONSTRUCTION CO.

Mr. BAYARD. Mr. President, I ask unanimous consent that Order of Business 82, Senate bill 970, for the relief of the De Kimpke Construction Co., of West Hoboken, N. J., be now taken up.

Mr. JONES of Washington. Why should we not begin where we left off, and go through the calendar in regular order?

Mr. BAYARD. We have not done so. We jumped over a number of bills on the calendar.

Mr. JONES of Washington. Why can we not begin now and go right on through?

Mr. BAYARD. I have no objection, if we take up Senate bill No. 970.

Mr. JONES of Washington. I have no objection to that bill.

Mr. OVERMAN. The Senator from South Carolina [Mr. DIAL] had to leave the Senate to attend a funeral. He asked me to object to taking up any other bill on the calendar to-day. I shall do so, and therefore we might as well adjourn.

Mr. LODGE. If nothing more is to be done on the calendar, I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 3 o'clock and 50 minutes p. m.) adjourned until to-morrow, Thursday, January 24, 1924, at 12 o'clock meridian.

## MEXICAN GENERAL CLAIMS CONVENTION.

In executive session this day, the following convention was ratified and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

*To the Senate:*

To the end that I may receive the advice and consent of the Senate to its ratification, I transmit herewith a General Claims Convention between the United States and Mexico, signed in the English and Spanish languages at Washington on September 8, 1923.

CALVIN COOLIDGE.

## THE WHITE HOUSE.

## The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate, if his judgment approve thereof, to receive the advice and consent of that body to ratification, a General Claims Convention between the United States and Mexico, signed at Washington on September 8, 1923.

Respectfully submitted.

CHARLES E. HUGHES.

Inclosure: Convention, as above.

DEPARTMENT OF STATE,

Washington, December 6, 1923.

The United States of America and the United Mexican States, desiring to settle and adjust amicably claims by the citizens of each country against the other since the signing on July 4, 1868, of the claims convention entered into between the two countries (without including the claims for losses or damages growing out of the revolutionary disturbances in Mexico which form the basis of another and separate convention), have decided to enter into a convention with this object, and to this end have nominated as their plenipotentiaries:

The President of the United States of America;

The Honorable Charles Evans Hughes, Secretary of State of the United States of America; Charles Beecher Warren and John Barton Payne; and

The President of the United Mexican States;

Señor Don Manuel C. Téllez, Chargé d'Affaires ad interim of the United Mexican States at Washington;

Who, after having communicated to each other their respective full powers, found to be in due and proper form, have agreed upon the following Articles:

## ARTICLE I.

All claims (except those arising from acts incident to the recent revolutions) against Mexico of citizens of the United States, whether corporations, companies, associations, partnerships, or individuals, for losses or damages suffered by persons or by their properties, and all claims against the United States of America by citizens of Mexico, whether corporations, companies, associations, partnerships, or individuals, for losses or damages suffered by persons or by their properties; all claims for losses or damages suffered by citizens of either country by reason of losses or damages suffered by any corporation, company, association, or partnership in

which such citizens have or have had a substantial and bona fide interest, provided an allotment to the claimant by the corporation, company, association, or partnership of his proportion of the loss or damage suffered is presented by the claimant to the commission hereinafter referred to; and all claims for losses or damages originating from acts of officials or others acting for either Government and resulting in injustice, and which claims may have been presented to either Government for its interposition with the other since the signing of the claims convention concluded between the two countries July 4, 1868, and which have remained unsettled, as well as any other such claims which may be filed by either Government within the time hereinafter specified, shall be submitted to a commission consisting of three members for decision in accordance with the principles of international law, justice, and equity.

Such commission shall be constituted as follows: One member shall be appointed by the President of the United States; one by the President of the United Mexican States; and the third, who shall preside over the commission, shall be selected by mutual agreement between the two Governments. If the two Governments shall not agree within two months from the exchange of ratifications of this convention in naming such third member, then he shall be designated by the President of the Permanent Administrative Council of the Permanent Court of Arbitration at The Hague described in Article XLIX of the convention for the pacific settlement of international disputes concluded at The Hague on October 18, 1907. In case of the death, absence, or incapacity of any member of the commission, or in the event of a member omitting or ceasing to act as such, the same procedure shall be followed for filling the vacancy as was followed in appointing him.

## ARTICLE II.

The commissioners so named shall meet at Washington for organization within six months after the exchange of the ratifications of this convention, and each member of the commission before entering upon his duties shall make and subscribe a solemn declaration stating that he will carefully and impartially examine and decide according to the best of his judgment and in accordance with the principles of international law, justice, and equity, all claims presented for decision, and such declaration shall be entered upon the record of the proceedings of the commission.

The commission may fix the time and place of its subsequent meetings, either in the United States or in Mexico, as may be convenient, subject always to the special instructions of the two Governments.

## ARTICLE III.

In general, the commission shall adopt as the standard for its proceedings the rules of procedure established by the Mixed Claims Commission created under the claims convention between the two Governments signed July 4, 1868, in so far as such rules are not in conflict with any provision of this convention. The commission, however, shall have authority by the decision of the majority of its members to establish such other rules for its proceedings as may be deemed expedient and necessary, not in conflict with any of the provisions of this convention.

Each Government may nominate and appoint agents and counsel who will be authorized to present to the commission, orally or in writing, all the arguments deemed expedient in favor of or against any claim. The agents or counsel of either Government may offer to the commission any documents, affidavits, interrogatories, other evidence desired in favor of or against any claim and shall have the right to examine witnesses under oath or affirmation before the commission, in accordance with such rules of procedure as the commission shall adopt.

The decision of the majority of the members of the commission shall be the decision of the commission.

The language in which the proceedings shall be conducted and recorded shall be English or Spanish.

## ARTICLE IV.

The commission shall keep an accurate record of the claims and cases submitted, and minutes of its proceedings with the dates thereof. To this end, each Government may appoint a secretary; these secretaries shall act as joint secretaries of the commission and shall be subject to its instructions. Each Government may also appoint and employ any necessary assistant secretaries and such other assistance as deemed necessary. The commission may also appoint and employ any persons necessary to assist in the performance of its duties.



## ARTICLE V.

The high contracting parties, being desirous of effecting an equitable settlement of the claims of their respective citizens, thereby affording them just and adequate compensation for their losses or damages, agree that no claim shall be disallowed or rejected by the commission by the application of the general principle of international law that the legal remedies must be exhausted as a condition precedent to the validity or allowance of any claim.

## ARTICLE VI.

Each such claim for loss of damage accruing prior to the signing of this convention shall be filed with the commission within one year from the date of its first meeting, unless in any case reasons for the delay, satisfactory to the majority of the commissioners, shall be established, and in any such case the period for filing the claim may be extended not to exceed six additional months.

The commission shall be bound to hear, examine, and decide, within three years from the date of its first meeting, all the claims filed, except as hereinafter provided in Article VII.

Four months after the date of the first meeting of the commissioners, and every four months thereafter, the commission shall submit to each Government a report setting forth in detail its work to date, including a statement of the claims filed, claims heard, and claims decided. The commission shall be bound to decide any claim heard and examined within six months after the conclusion of the hearing of such claim and to record its decision.

## ARTICLE VII.

The high contracting parties agree that any claim for loss or damage accruing after the signing of this convention may be filed by either Government with the commission at any time during the period fixed in Article VI for the duration of the commission; and it is agreed between the two Governments that should any such claim or claims be filed with the commission prior to the termination of said commission, and not be decided as specified in Article VI, the two Governments will by agreement extend the time within which the commission may hear, examine, and decide such claim or claims so filed for such a period as may be required for the commission to hear, examine, and decide such claim or claims.

## ARTICLE VIII.

The high contracting parties agree to consider the decision of the commission as final and conclusive upon each claim decided, and to give full effect to such decisions. They further agree to consider the result of the proceedings of the commission as a full, perfect, and final settlement of every such claim upon either Government, for loss or damage sustained prior to the exchange of the ratifications of the present convention (except as to claims arising from revolutionary disturbances and referred to in the preamble hereof). And they further agree that every such claim, whether or not filed and presented to the notice of, made, preferred, or submitted to such commission shall from and after the conclusion of the proceedings of the commission be considered and treated as fully settled, barred, and thenceforth inadmissible, provided the claim filed has been heard and decided.

## ARTICLE IX.

The total amount awarded in all the cases decided in favor of the citizens of one country shall be deducted from the total amount awarded to the citizens of the other country and the balance shall be paid at Washington or at the city of Mexico, in gold coin or its equivalent, to the Government of the country in favor of whose citizens the greater amount may have been awarded.

In any case the commission may decide that international law, justice, and equity require that a property or right be restored to the claimant in addition to the amount awarded in any such case for all loss or damage sustained prior to the restitution. In any case where the commission so decides the restitution of the property or right shall be made by the Government affected after such decision has been made, as hereinbelow provided. The commission, however, shall at the same time determine the value of the property or right decreed to be restored and the Government affected may elect to pay the amount so fixed after the decision is made rather than to restore the property or right to the claimant.

In the event the Government affected should elect to pay the amount fixed as the value of the property or right decreed to be restored, it is agreed that notice thereof will be filed with the commission within 30 days after the decision, and that the amount fixed as the value of the property or right shall be paid immediately. Upon failure so to pay the amount the property or right shall be restored immediately.

## ARTICLE X.

Each Government shall pay its own commissioner and bear its own expenses. The expenses of the commission, including the salary of the third commissioner, shall be defrayed in equal proportions by the two Governments.

## ARTICLE XI.

The present convention shall be ratified by the high contracting parties in accordance with their respective constitutions. Ratifications of this convention shall be exchanged in Washington as soon as practicable and the convention shall take effect on the date of the exchange of ratifications.

In witness whereof, the respective plenipotentiaries have signed and affixed their seals to this convention.

Done in duplicate at Washington this 8th day of September, 1923.

CHARLES EVANS HUGHES.	[SEAL.]
CHARLES BEECHER WARREN.	[SEAL.]
JOHN BARTON PAYNE.	[SEAL.]
MANUEL C. TELLEZ.	[SEAL.]

## SPECIAL MEXICAN CLAIMS CONVENTION.

In executive session this day the following convention was ratified, and on motion of Mr. LODGE the injunction of secrecy was removed therefrom:

To the Senate:

To the end that I may receive the advice and consent of the Senate to its ratification I transmit herewith a convention, in English and Spanish, concluded between the United States and Mexico on September 10, 1923, providing for the settlement and amicable adjustment of claims arising from losses or damages suffered by American citizens through revolutionary acts within the period from November 20, 1910, to May 31, 1920, inclusive.

CALVIN COOLIDGE.

THE WHITE HOUSE.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate if his judgment approve thereof, to receive the advice and consent of that body to ratification, the autographed English and Spanish texts of a convention concluded between the United States and Mexico on September 10, 1923, providing for the settlement and amicable adjustment of claims arising from losses or damages suffered by American citizens through revolutionary acts within the period from November 20, 1910, to May 31, 1920, inclusive.

Respectfully submitted.

CHARLES E. HUGHES.

Inclosure: Texts of convention, as above.

DEPARTMENT OF STATE,

Washington, December 6, 1923.

## SPECIAL CLAIMS CONVENTION.

The United States of America and the United Mexican States, desiring to settle and adjust amicably claims arising from losses or damages suffered by American citizens through revolutionary acts within the period from November 20, 1910, to May 31, 1920, inclusive, have decided to enter into a convention for that purpose and to this end have nominated as their plenipotentiaries:

The President of the United States: George T. Summerlin, chargé d'affaires ad interim of the United States of America in Mexico.

The President of the United Mexican States: Alberto J. Pani, Secretary of State for Foreign Affairs.

Who, after having communicated to each other their respective full powers found to be in due and proper form, have agreed upon the following articles:

## ARTICLE I.

All claims against Mexico of citizens of the United States, whether corporations, companies, associations, partnerships, or individuals, for losses or damages suffered by persons or by their properties during the revolutions and disturbed conditions which existed in Mexico, covering the period from November 20, 1910, to May 31, 1920, inclusive, including losses or damages suffered by citizens of the United States by reason of losses or damages suffered by any corporation, company, association, or partnership in which citizens of the United States have or have had a substantial and bona fide interest, provided an allotment to the American claimant by the corporation, company, association, or partnership of his proportion

of the loss or damage is presented by the claimant to the commission hereinafter referred to, and which claims have been presented to the United States for its interposition with Mexico, as well as any other such claims which may be presented within the time hereinafter specified, shall be submitted to a commission consisting of three members.

Such commission shall be constituted as follows: One member shall be appointed by the President of the United States; one by the President of the United Mexican States; and the third, who shall preside over the commission, shall be selected by mutual agreement between the two Governments. If the two Governments shall not agree within two months from the exchange of ratifications of this convention in naming such third member, then he shall be designated by the president of the permanent administrative council of the Permanent Court of Arbitration at The Hague, described in article 49 of the convention for the pacific settlement of international disputes concluded at The Hague on October 18, 1907. In case of the death, absence, or incapacity of any member of the commission, or in the event of a member omitting or ceasing to act as such, the same procedure shall be followed for filling the vacancy as was followed in appointing him.

#### ARTICLE II.

The commissioners so named shall meet at Mexico City within six months after the exchange of the ratifications of this convention, and each member of the commission, before entering upon his duties, shall make and subscribe a solemn declaration stating that he will carefully and impartially examine and decide, according to the best of his judgment and in accordance with the principles of justice and equity, all claims presented for decision, and such declaration shall be entered upon the record of the proceedings of the commission.

The Mexican Government desires that the claims shall be so decided because Mexico wishes that her responsibility shall not be fixed, according to the generally accepted rules and principles of international law, but *ex gratia* feels morally bound to make full indemnification and agrees, therefore, that it will be sufficient that it be established that the alleged loss or damage in any case was sustained and was due to any of the causes enumerated in Article III hereof.

The commission may fix the time and place of its subsequent meetings, as may be convenient, subject always to the special instructions of the two Governments.

#### ARTICLE III.

The claims which the commission shall examine and decide are those which arose during the revolutions and disturbed conditions which existed in Mexico covering the period from November 20, 1910, to May 31, 1920, inclusive, and were due to any act by the following forces:

- (1) By forces of a government *de jure* or *de facto*;
- (2) By revolutionary forces as a result of the triumph of whose cause governments *de facto* or *de jure* have been established, or by revolutionary forces opposed to them;
- (3) By forces arising from the disjunction of the forces mentioned in the next preceding paragraph up to the time when the government *de jure* established itself as a result of a particular revolution;
- (4) By Federal forces that were disbanded; and
- (5) By mutinies or mobs, or insurrectionary forces other than those referred to under subdivisions (2), (3), and (4) above, or by bandits, provided in any case it be established that the appropriate authorities omitted to take reasonable measures to suppress insurrectionists, mobs, or bandits, or treated them with lenity or were in fault in other particulars.

#### ARTICLE IV.

In general, the commission shall adopt as the standard for its proceedings the rules of procedure established by the Mixed Claims Commission created under the Claims Convention between the two Governments signed July 4, 1868, in so far as such rules are not in conflict with any provision of this convention. The commission, however, shall have authority by the decision of the majority of its members to establish such other rules for its proceedings as may be deemed expedient and necessary, not in conflict with any of the provisions of this convention.

Each Government may nominate and appoint agents and counsel who will be authorized to present to the commission, orally or in writing, all the arguments deemed expedient in favor of or against any claim. The agents or counsel of either Government may offer to the commission any documents, affidavits, interrogatories, or other evidence desired in favor of or against any claim and shall have the right to examine wit-

nesses under oath or affirmation before the commission, in accordance with such rules of procedure as the commission shall adopt.

The decision of the majority of the members of the commission shall be the decision of the commission.

The language in which the proceedings shall be conducted and recorded shall be Spanish or English.

#### ARTICLE V.

The commission shall keep an accurate record of the claims and cases submitted, and minutes of its proceedings with the dates thereof. To this end, each Government may appoint a secretary; these secretaries shall act as joint secretaries of the commission and shall be subject to its instructions. Each Government may also appoint and employ any necessary assistant secretaries and such other assistance as deemed necessary. The commission may also appoint and employ any persons necessary to assist in the performance of its duties.

#### ARTICLE VI.

Since the Mexican Government desires to arrive at an equitable settlement of the claims of the citizens of the United States and to grant them a just and adequate compensation for their losses or damages, the Mexican Government agrees that the commission shall not disallow or reject any claim by the application of the general principle of international law; that the legal remedies must be exhausted as a condition precedent to the validity or allowance of any claim.

#### ARTICLE VII.

Every claim shall be filed with the commission within two years from the date of its first meeting, unless in any case reasons for the delay, satisfactory to the majority of the commissioners, shall be established, and in any such case the period for filing the claim may be extended not to exceed six additional months.

The commission shall be bound to hear, examine, and decide, within five years from the date of its first meeting, all the claims filed.

Four months after the date of the first meeting of the commissioners, and every four months thereafter, the commission shall submit to each Government a report setting forth in detail its work to date, including a statement of the claims filed, claims heard, and claims decided. The commission shall be bound to decide any claim heard and examined within six months after the conclusion of the hearing of such claim and to record its decision.

#### ARTICLE VIII.

The high contracting parties agree to consider the decision of the commission as final and conclusive upon each claim decided and to give full effect to such decisions. They further agree to consider the result of the proceedings of the commission as a full, perfect, and final settlement of every such claim upon the Mexican Government arising from any of the causes set forth in Article III of this convention. And they further agree that every such claim, whether or not filed and presented to the notice of, made, preferred, or submitted to such commission, shall, from and after the conclusion of the proceedings of the commission, be considered and treated as fully settled, barred, and thenceforth inadmissible, provided the claim filed has been heard and decided.

#### ARTICLE IX.

The total amount awarded to claimants shall be paid in gold coin or its equivalent by the Mexican Government to the Government of the United States at Washington.

#### ARTICLE X.

Each Government shall pay its own commissioner and bear its own expenses. The expenses of the commission, including the salary of the third commissioner, shall be defrayed in equal proportions by the two Governments.

#### ARTICLE XI.

The present convention shall be ratified by the high contracting parties in accordance with their respective constitutions. Ratifications of this convention shall be exchanged in Mexico City as soon as practicable and the convention shall take effect on the date of the exchange of ratifications.

It witness whereof the respective plenipotentiaries have signed and affixed their seals to this convention.

Done in duplicate at Mexico City this 10th day of September, 1923.

GEORGE R. SUMMERLIN. [SEAL.]  
A. J. PAUL. [SEAL.]



## MEXICAN CLAIMS CONVENTIONS.

In executive session this day, on motion of Mr. LODGE, the injunction of secrecy was removed from the report of the Committee on Foreign Relations relative to the foregoing conventions, and it was ordered to be printed in the Record, as follows:

[Report to accompany Executive A and Executive B, Sixty-eighth Congress, first session.]

The Committee on Foreign Relations, to whom were referred Executive A and Executive B of the Sixty-eighth Congress, first session, being, respectively, the general and special claims conventions with Mexico, have considered the same and report them with the recommendation that the Senate advise and consent thereto. The special convention, concluded on September 10, 1923, provides for the settlement and amicable adjustment of claims against Mexico arising from losses or damages suffered by American citizens through revolutionary acts within the period from November 20, 1910, to May 31, 1920, inclusive. The general convention, signed on September 8, 1923, provides for the settlement and amicable adjustment of all other claims of American citizens against Mexico and of all claims of citizens of Mexico against the Government of the United States. The provisions of both conventions and the objects sought to be attained by their ratification are described in the following communication from the Secretary of State:

DEPARTMENT OF STATE,  
Washington, January 15, 1924.

Hon. HENRY CABOT LODGE,  
United States Senate.

DEAR SENATOR LODGE: I am in receipt of your letter of January 4, 1924, stating that the members of the Committee on Foreign Relations of the Senate desire to be furnished with any papers or notes or further agreements relating to the treaties with Mexico, namely, the general and special claims conventions, and to be informed as to what has been done with respect to them in Mexico.

In reply I beg to inform you that the report of the commissioners representing the United States in the United States-Mexican conferences, which were held at the City of Mexico from May 14 to August 15 last, consists of a record of the minutes in English and in Spanish of their conferences with the Mexican commissioners. It was agreed between the commissioners at their first meeting that minutes of their proceedings would be kept and would embrace the suggestions discussed and the views of the two Governments, with the understanding that the commissioners should have the choice of having recorded in the minutes either the views of their respective Governments as expressed by either commission or of having incorporated therein memoranda setting forth such views. The respective secretaries of the two commissions authenticated the minutes from day to day, and upon the termination of the conferences the completed minutes were signed by the American commissioners and the Mexican commissioners as a record of their proceedings.

Upon the return of the American commissioners to Washington the American Embassy at Mexico City was instructed by telegraph under date of August 22 to submit to the Mexican Minister of Foreign Affairs a message from the Secretary of State advising him that President Coolidge had approved the statements and recommendations of the American commissioners as set forth in the minutes, and inquiring whether General Obregon approved the statements set forth therein as having been made by the Mexican commissioners. The Minister of Foreign Affairs replied through the Mexican Embassy in Washington on August 25 to the effect that General Obregon had approved the declarations made by his commissioners. This exchange of communications completed the understanding reached in the conferences as set forth in the minutes, and was followed by the resumption of formal diplomatic relations between the United States and Mexico and the signing of the general and special claims conventions.

In the department's instructions given to the commissioners when they proceeded to Mexico it was pointed out that the fundamental issue between the United States and Mexico was the safeguarding of American property rights in Mexico, especially as against a confiscatory application of the provisions of the Mexican constitution of 1917, and that the principal questions arising from this issue related:

First. To the restoration or proper reparation for the taking of lands owned by American citizens prior to May 1, 1917.

Second. To the obtaining of satisfactory assurances against confiscation of the subsoil interests in lands owned by American citizens prior to May 1, 1917.

Third. To the making of appropriate claims conventions.

I will now endeavor to give a summary of the substances of the minutes of the conference.

## THE AGRARIAN QUESTION.

For your more complete understanding of the commissioners' deliberations and conclusions with respect to the agrarian question, perhaps I should point out that the agrarian problem in Mexico, the avowed purpose of which is to provide for the needs of rural communities, involves most important questions from the standpoint of Mexican policy as well as from that of American interests in Mexico. Provision was made in the Mexican constitution of 1917 for the taking of large landholdings for division into small tracts, but without adequate provision for the compensation of the owners. These holdings are often very large, consisting of from hundreds of thousands of acres to millions of acres. The carrying out of this policy resulted in great injury to American landholders in Mexico, and consequently this Government, while expressing full sympathy with the efforts of the Mexican authorities to readjust large holdings so as to meet the natural demands of the people of Mexico, at the same time protested and insisted that if properties were to be taken they should be paid for.

Throughout the discussions the American commissioners maintained on behalf of the United States that under the rules of international law there can be no taking of lands or other property of American citizens legally acquired prior to May 1, 1917, without indemnification in cash at the time of the taking for the just value thereof, and that they could not admit the assertion of the Government of Mexico to the right to declare null and void valid titles to property or property rights acquired by American citizens or to make grants thereof based on the extension of ancient grants or concessions or communal possessions.

However, they conceded that if, owing to the situation in which Mexico finds itself because of the revolutions and consequent disturbances, the Mexican Government would make a statement that its claim to expropriate lands of American citizens for "ejidos," for towns or villages now existing, and, under certain conditions specified by them, does not constitute a precedent for Mexico entitling her to expropriate any other kind of property, except upon indemnification in cash for the just value thereof, the United States Government will take under consideration the question whether it will be willing to accept Mexican federal bonds of a specified type in payment for land expropriated from its citizens for "ejidos."

It should be understood that an "ejido" constitutes a commons or an area of communal property deemed to be important for villages and other communities. The problem presented in the negotiations was with respect to the best manner of securing substantial protection for American interests against an improper expropriation while at the same time satisfying the natural desire for reasonable communal properties or "ejidos." The commission was able to reach a solution of this by providing that on certain conditions an "ejido" might be taken not to exceed 1,755 hectares (or approximately 4,000 acres), to be paid for in agreed bonds of a certain description, and that the residue of American agrarian properties would be appropriately safeguarded.

It will be noted that 1,755 hectares is a very small part of the large estates in question, which, as already stated, run to hundreds of thousands of acres, and that it is most probable that owners of these large estates which are now in danger of expropriation would be well satisfied if an arrangement could be carried out on the above basis. The arrangement, therefore, was not regarded as involving an undue hardship to American interests but rather a means of affording them a security which otherwise it would be impossible for them to obtain.

The conditions stated included the conclusion of a general claims convention, under the terms of which any citizen of the United States whose land had been taken would have a right to present to such commission his claim for loss or damage for any injustice.

Another of the conditions was also stated to be that this area of ejidos—1,755 hectares—was a maximum area, and that in all cases grants would only be made in proportion to the population of a town or village now existing for which the land was granted, and that due regard must be had for the extent of the property from which the land was taken for the constructions, aqueducts, artificial works, crops, etc., on the lands and damage to the remainder of the property, and in general that no acts resulting in injustice would be committed. Still another condition was that an area greater than the above described could not be taken from any one property belonging to a citizen or citizens of the United States, or corporation, company, or association in which a citizen or citizens of the United States had, has, or have an interest at the time of the expropriation without compensation being made therefor on the basis of the just value at the time of the taking being paid in cash for any excess.

At the same time the commissioners reserved all the rights of American citizens to receive payment in cash for the just value for such rights in case of the division of estates or lands or the annulling of valid titles or making grants based on former possession; and also reserved the rights of the Government of the United States to make claims for any losses or damages to its citizens by reason of any

injustices by the Mexican Government or by any State government, as well as all the rights of whatever nature of its citizens under international law, equity, and justice.

The commissioners made the further provision that the proposed general claims commission should have jurisdiction to order the restoration of property and rights where property or rights have been taken in violation of international law, equity, and justice.

At the conclusion of the conferences on the agrarian question the Mexican commissioners made the following statements in behalf of the Mexican Government:

1. The Mexican commissioners understand that in case the two Governments resume diplomatic relations and conclude a general claims convention creating a mixed claims commission, the Government of the United States will forward concurrently with the exchange of ratifications of such general claims convention a note binding its citizens who are claimants to accept bonds for ejidos of a maximum area of 1,755 hectares on the terms and conditions and with the provisions referred to in Mr. Warren's statement in behalf of the American commissioners.

2. The Mexican Government does not maintain that the acceptance of Federal bonds in payment for expropriation for ejidos of a certain area shall be regarded as an acceptance on the part of the Government of the United States of the principle that payment in bonds can be made for expropriation of lands or other property for any other purpose.

3. According to the law of January 10, 1920, and the regulations thereunder dated January 26, 1922, bonds will be issued for the payment of ejidos. These bonds will bear interest at the rate of 5 per cent per annum from the time of the taking of the land and will be made payable in 20 years. Not less than one-twentieth part of the total amount of bonds issued and outstanding shall be paid each year, the bonds to be so paid each year being determined substantially by lot as provided in such regulations. Said bonds will be accepted by the Government at par value in payment for public or national lands, in payment for interest due on contracts for the purchase or for the price of lands granted to villages as ejidos and sold to the residents, and as security in all those cases in which by virtue of a contract or concession a deposit is or may be required in bonds of the public debt. For the payment of the aforesaid bonds and coupons attached thereto the Government will apply, not excluding other sources of revenue, all the revenues coming into the Treasury from the sale of lands expropriated for ejidos by the Government to the residents of the respective localities. These revenues shall not be used by the Government for any other purpose. In addition the coupons will be accepted by the Federal Government in payment of any Federal tax.

The Federal Government intends negotiating a loan in order to pay the indemnities for the lands expropriated for ejidos in cash, and as soon as this loan can be obtained the Government will call in and pay in cash at par such part of the aforesaid bonds then outstanding as the proceeds of such loan will pay. In case less than all the bonds issued and outstanding shall be called and paid on any one date, then the bonds thus to be called and paid shall be drawn by lot in the manner above referred to.

In case such loan can not be negotiated, the Government intends to shorten the period of payment of the said bonds, according to the financial possibilities of the Federal Treasury, and to accept the matured bonds, and in the meantime to accept annually one-twentieth part of the outstanding bonds in payment for all kinds of Federal taxes in the same manner as coupons.

4. Owners who are citizens of the United States, in whatever form their interest may be held, who may have suffered losses or damages because of acts resulting in injustice in carrying out the expropriation of lands for ejidos, shall have recourse to a general claims commission having a general jurisdiction under the terms provided by the convention creating such a general claims commission.

5. The Mexican Government has ordered the restitution of all property and rights confiscated or wrongfully taken from their owners during the revolution. Nevertheless, if in any case it is shown that a property or right of a citizen of the United States so confiscated or wrongfully taken has not been restored, the Mexican Government will issue the necessary orders for the immediate restitution, where possible, of said property or right.

6. The question of the division of large landed estates is not made the subject of a particular statement in view of the fact that the Mexican Congress has not issued any law authorizing the various States of the Republic to create agrarian debts or to issue bonds for this purpose, and in view of the fact that the American commissioners, in behalf of their Government, have stated that all the rights of the citizens of the United States regarding such division and the expropriation or sale of lands for bonds or for any consideration other than in cash are reserved, and that the Mexican commissioners, on behalf of the Mexican Government, take knowledge that the American Government has reserved the rights of its citizens in this and in other respects.

#### THE PETROLEUM QUESTION.

Before setting forth the pertinent provisions of the minutes with respect to the petroleum question, it should be observed that by the provisions of the Mexican constitution of 1917, which became effective on May 1 of that year, direct ownership of petroleum in the subsoil was vested in the Mexican nation, and that the efforts of the Mexican authorities to give these provisions retroactive application presented a most serious situation. This Government maintained as one clear principle which lies at the foundation of international intercourse that when a nation has invited intercourse with other nations, has established laws under which investments have been lawfully made, contracts entered into, and property rights acquired by citizens of other jurisdictions, it is an essential condition of international intercourse that international obligations shall be met and that there shall be no resort to confiscation and repudiation.

The questions that have arisen from this situation have not been so much concerned with the actual taking of properties, of the class described under this head, as with the constant menace to American interests growing out of threats of the Mexican authorities to take such properties. This Government succeeded in composing some of these questions before the commissioners went to Mexico, and when they began their conferences the principal questions were concerned with (1) petroleum interests, which had been made the subject, prior to May 1, 1917, of contracts for the purpose of petroleum development, and (2) subsoil interests where American owners had title to the land (through grant or lease) prior to May 1, 1917, but had not yet undertaken exploration for petroleum or had not made contracts for that purpose.

The American commissioners thoroughly discussed all phases of the question with their Mexican colleagues, and the essential features of the agreement reached are embraced in the following statements of the Mexican commissioners on behalf of the Mexican Government, as they are embodied in the minutes of the conferences:

1. It is the duty of the federal executive power, under the constitution, to respect and enforce the decisions of the judicial power. In accordance with such a duty, the executive has respected and enforced, and will continue to do so, the principles of the decisions of the supreme court of justice in the Texas Oil Co. case and the four other similar "amparo" cases, declaring that Paragraph IV of article 27 of the constitution of 1917 is not retroactive in respect to all persons who have performed, prior to the promulgation of said constitution, some positive act which would manifest the intention of the owner of the surface or of the persons entitled to exercise his rights to the oil under the surface to make use of or obtain the oil under the surface, such as drilling, leasing, entering into any contract relative to the subsoil, making investments of capital in lands for the purpose of obtaining the oil in the subsoil, carrying out works of exploitation and exploration of the subsoil, and in cases where from the contract relative to the subsoil it appears that the grantors fixed and received a price higher than would have been paid for the surface of the land because it was purchased for the purpose of looking for oil and exploiting same if found; and, in general, performing or doing any other positive act, or manifesting an intention of a character similar to those heretofore described. According to these decisions of the supreme court, the same rights enjoyed by those owners of the surface who have performed a positive act or manifested an intention such as has been mentioned above will be enjoyed also by their legal assignees or those persons entitled to the rights to the oil. The protection of the supreme court extends to all the land or subsoil concerning which any of the above intentions have been manifested or upon which any of the above-specified acts have been performed, except in cases where the documents relating to the ownership of the surface or the use of the surface or the oil in the subsoil establish some limitation.

The above statement has constituted and will constitute in the future the policy of the Mexican Government, in respect to lands and the subsoil upon which or in relation to which any of the above specified acts have been performed, or in relation to which any of the above specified intentions have been manifested; and the Mexican Government will grant to the owners, assignees, or other persons entitled to the rights to the oil, drilling permits on such lands, subject only to police regulations, sanitary regulations and measures for public order, and the right of the Mexican Government to levy general taxes.

2. The Government, from the time that these decisions of the supreme court were rendered, has recognized and will continue to recognize the same rights for all those owners or lessees of land or subsoil or other persons entitled to the rights to the oil who are in a similar situation as those who obtained "amparo"; that is, those owners or lessees of land or subsoil or other persons entitled to the rights to the oil who have performed any positive act of the character already described or manifested any intention such as above specified.

3. The Mexican Government, by virtue of the decisions of the President (acuerdos) dated January 17, 1920, and January 8, 1921, respectively, has granted and grants preferential rights to all owners of the surface or persons entitled to exercise their preferential rights to the oil in the subsoil, who have not performed a positive act such as already mentioned, showing their intention to use the subsoil or mani-



fested an intention as above specified, so that whenever those owners of the surface or persons entitled to exercise their preferential rights to the oil in the subsoil wish to use or obtain the oil in the said subsoil, the Mexican Government will permit them to do so to the exclusion of any third party who has no title to the land or to the subsoil.

4. The present executive, in pursuance of the policy that has been followed up to the present time, as above stated, and within the limitations of his constitutional powers, considers it just to grant, and will continue in the future to grant, as in the past, to owners of the surface or persons entitled to exercise their preferential rights to the oil, who have not performed prior to the constitution of 1917 any positive act such as mentioned above, or manifested an intention as above specified, a preferential right to the oil and permits to obtain the oil to the exclusion of any third party who has no title to the land or subsoil, in accordance with the terms of the legislation now in force as modified by the decisions of January 17, 1920, and January 8, 1921, already mentioned. The above statement in this paragraph of the policy of the present executive is not intended to constitute an obligation for an unlimited time on the part of the Mexican Government to grant preferential rights to such owners of the surface, or persons entitled to exercise their rights to the oil in the subsoil.

5. The American commissioners have stated in behalf of their Government that the Government of the United States now reserves, and reserves, should diplomatic relations between the two countries be resumed, all the rights of the citizens of the United States in respect to the subsoil under the surface of lands in Mexico owned by citizens of the United States, or in which they have an interest, in whatever form owned or held, under the laws and constitution of Mexico in force prior to the promulgation of the new constitution, May 1, 1917, and under the principles of international law and equity. The Mexican commissioners, while sustaining the principles hereinbefore set forth in this statement but reserving the rights of the Mexican Government under its laws as to lands in connection with which no positive act of the character specified in this statement has been performed or in relation to which no intention of the character specified in this statement has been manifested, and its rights with reference thereto under the principles of international law, state in behalf of their Government that they recognize the right of the United States Government to make any reservation of or in behalf of the rights of its citizens.

It will be observed from the foregoing that the arrangement contemplates full protection for all cases of oil properties which were acquired for petroleum purposes prior to the date on which the Mexican constitution of 1917 became effective and abandons in no respect the attitude which this Government has consistently maintained with respect to property rights.

#### THE GENERAL AND SPECIAL CLAIMS CONVENTIONS.

The department understands that these conventions are now before your committee. In view of that fact, it would seem that a discussion of their provisions is unnecessary here. However, I may point out that the general claims convention provides means for executing some of the most important features of the understanding reached with respect to both the agrarian and petroleum questions, as revealed in the foregoing summary.

With regard to your inquiry as to the action of Mexico in respect to the conventions in reference, I beg to advise you that the department's information indicates that the special claims convention was approved by the Mexican Senate on December 27, 1923, and that an extraordinary session of the Mexican Senate has been called to convene at an early date for the purpose of approving the general claims convention.

Owing to the fact that the minutes constitute a voluminous document, I have deemed it advisable to prepare the foregoing statement for the information and use of your committee. However, if it should be deemed essential, I shall be pleased to submit the minutes in their entirety for the committee's examination.

I am, my dear Senator Lodge,

Sincerely yours,

CHARLES E. HUGHES.

#### CONFIRMATIONS.

*Executive nominations confirmed by the Senate January 23, 1924.*

##### PROMOTIONS IN THE DIPLOMATIC SERVICE.

##### *To be secretaries of embassy or legation, class 1.*

Frederic O. deBillier.	Norman Armour.
Frederic R. Dolbeare.	Allen W. Dulles.
Francis White.	

##### *To be secretaries of embassy or legation, class 2.*

Frederick C. Chabot.	James Clement Dunn.
J. Theodore Marriner.	Myron A. Hofer.
Clarence B. Hewes.	F. Lammot Belin.
Jay Pierrepont Moffat.	George A. Gordon.
Richard B. Southgate.	

##### *To be secretaries of embassy or legation, class 3.*

Benjamin Muse.	H. Dorsey Newson.
Cord Meyer.	Foster Stearns.
J. Webb Benton.	Jefferson Patterson.
Frederick P. Hibbard.	Elbridge D. Rand.
G. Harlan Miller.	

#### POSTMASTERS.

##### INDIANA.

Herbert O. Stuteville, Grand View.  
John A. Carson, Idaville.  
Leslie P. Nelson, Newport.  
Roland B. Craw, Oxford.  
Jesse M. Cage, Sharpsville.

##### MISSOURI.

Ralph E. Johnson, Elmer.

##### NEBRASKA.

Francis O. Baker, Bushnell.

##### PENNSYLVANIA.

Henry O. Sutter, Allison Park.  
Archie W. Leech, Beaverdale.  
William W. Latta, California.  
Lawrence E. Grieff, Carrolltown.  
Frank U. Armstrong, Cheswick.  
Samuel F. Brush, Clarion.  
John F. Parrish, Cresson.  
Mathilda Grubbs, Curtisville.  
Kathryn L. Petrini, East Brady.  
Augustine W. Boslet, Elmora.  
John B. Chase, Greenville.  
Everett C. Davis, Nanty Glo.  
Edward G. Carper, Roaring Spring.  
Luther P. Ross, Saxton.  
Charles D. Gramling, South Fork.  
Frank G. Jones, Spartansburg.  
August W. Porter, Springdale.  
J. Matzer Pollock, Wilmerding.

##### SOUTH CAROLINA.

Arthur P. Horton, Heath Springs.  
William J. Hughes, Loris.  
Ben Harper, Seneca.

##### UTAH.

Joseph W. Johnson, Layton.

##### WEST VIRGINIA.

Dovie Varney, Edgerton.  
Lester F. Buck, Sistersville.  
James A. Little, Waverly.

#### REJECTED.

*Executive nomination rejected by the Senate January 23, 1924.*

#### POSTMASTER.

Martin L. Vick to be postmaster at Shenyenne, N. Dak.

#### HOUSE OF REPRESENTATIVES.

*WEDNESDAY, January 23, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, we come to Thee with humble confidence, inspired by Thy unfailing goodness. How amazingly free is Thy bountiful nature. Continue with us, blessed Lord, that we may rise to the highest plane of life, where all lower feelings cease to rule. We would accept our duties and discipline with gratitude and cheerfulness. Teach us how to use the world with wisdom and how to convert all things to the help and honor of our fellow men. May there be essential unity of high purpose throughout our land and the blessing of peace in all the earth. We pray in Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### PERMISSION TO SIT DURING SESSIONS OF HOUSE.

Mr. McKENZIE. Mr. Speaker, I am authorized and directed by the chairman of the Committee on Military Affairs to request the permission of the House that the Committee on Military Affairs may sit during the sessions of the House.